

of this holding that defendant here proved the impracticability of marking the loose biscuit concerning which the Circuit Court in the *Humphrey Cornell* case had expressed such doubt. Pet., pp. 5-6.

A further misapplication of this case is found on page 8. Again it is said: "No other competitor (except Ross who was enjoined) has ever used that form." This reference to Ross, though obscure, refers to the same case cited as *Shredded Wheat v. Humphrey Cornell*.

The first "injunction" which ever completely prohibited the sale of either marked, unmarked or cartoned biscuit was the second decree ordered below. Neither Judge Thomas nor the Circuit Court of Appeals in the Second Circuit ever questioned the fact that the Ross Company's right to compete was indisputable under the patent expirations and the long line of decisions based on *Singer v. June*, 163 U. S. 169. Perhaps the strangest feature of this attempt in 1937 to set up a perpetual prescriptive monopoly in a patent-expired product was that the Circuit Court of Appeals in the Second Circuit in 1918 held that the right of Ross to make the identical biscuit here in issue was "indubitable" (*Shredded Wheat Co. v. Humphrey Cornell, supra*).

4. Respondent states (Brief In Opposition, p. 3) that Quaker Oats Company and Loose-Wiles Biscuit Company both use the "process disclosed by the (Perky) patent" to make "Muffets" and "Rippled Wheat." No record references are cited for these statements and there is nothing in the record to support them. These products are not shredded wheat but both are what is called ribbon wheat—that is the wheat is formed in ribbons rather than in separate shreds (R. 285).

5. Respondent states (brief p. 3) that defendant's operations began in 1922. The trial Court found (VI, p. 203):

"From 1912 to 1919 defendant manufactured a shredded wheat biscuit marketed in cartons marked

'Kellogg's Toasted Wheat Biscuit.' From the Fall of 1921 to the Fall of 1922, defendant manufactured and sold a shredded whole wheat biscuit of small size and pillow-shape. The size was less than two-thirds the size of plaintiff's biscuit. In 1927, defendant resumed the manufacture of the small shredded wheat biscuit *and still continues to market that biscuit in cartons marked 'Kellogg's Shredded Whole Wheat Biscuit.'* Since 1930, defendant also marketed this small biscuit in cartons marked 'Kellogg's Whole Wheat Biscuit.' " (Emphasis ours).

The shredded wheat biscuit marketed by defendant from 1912 until stopped by war wheat shortage in 1918, was rectangular but flattened on top by the process of manufacture as was plaintiff's shredded wheat wafer called "Triscuit."

Even under the second theory of the Court below, namely, that prescriptive or uninterrupted possession of the market revives the long dead patents, plaintiff's case must fail on the facts as well as the law. Defendant was in the shredded wheat business from 1912 to 1918 and from 1921 to 1922 and from 1927 to date. Ross made plaintiff's identical biscuit from 1915 to 1918, and his right to do so was held to be "indubitable" in the Second Circuit as aforesaid. *Shredded Wheat Co. v. Humphrey, Cornell, supra.* Surely such intervening rights as well as the perpetual rights of the public to deal in a competitive market, cannot now be swept away without constitutional change.

6. Plaintiff's Brief In Opposition, p. 4, seeks to create the impression that the first suit brought by plaintiff against defendant in 1928 was discontinued because defendant "again abandoned the use of the name 'shredded wheat'." That is doubly untrue. There was no abandonment of use and after plaintiff had taken depositions (V. I, p. 203), the case became dormant until notice was received in 1930 that it was going to be dismissed for want of prosecution. The italicized quotation above from the findings in the Dis-

strict Court shows that defendant never abandoned the shredded wheat name. It continued to use the shredded wheat name and also brought out the same product as "Kelloggs Whole Wheat Biscuit."

The discontinuance of this suit as stated by respondent was distinctly "without prejudice" and by written stipulation. Such a discontinuance cannot be deemed an "abandonment" of defendant's claimed right to manufacture. Certainly if the plaintiff had conceived at that time that defendant had "abandoned" its rights, it would have insisted upon a consent or other decree on the merits. If, after notice that defendant reserved its rights by this discontinuance without prejudice, ~~defendant~~ ^{plaintiff} proceeded to spend the sums referred to in its brief it was certainly with notice of defendant's claim and at plaintiff's risk with respect thereto.

7. Plaintiff in the following paragraph on page 4 repeats the incorrect statement concerning an abandonment in 1930 by defendant of the marketing of "Kellogg's Shredded Whole Wheat Biscuit." Plaintiff states "The present suit, commenced in 1932, followed the defendant's resumption of the use of the name 'Shredded Wheat' as a tradename in its advertising and on the ends of its cartons" and by its use of two biscuits shown in a dish (emphasis ours). This again is doubly misleading. Defendant's marketing of "Kellogg's Shredded Wheat Biscuit" has been continuous and unbroken from 1927 to date (V. I, p. 203). There was no "resumption" because there had never been any "second abandonment," and the second suit was not brought to enjoin defendant merely from using the words shredded wheat "in its advertising and on the ends of its cartons" or by the use of the dish-biscuit picture. If that statement were true, the judgment below could not be sustained on that ground alone. A suit to restrain a mere "advertising" use or a mere small type use "on the ends" of the cartons (V. I, p. 219), would never support an in-

junction to stop all marketing of the biscuit under any name whatever or any and all use of the words "Shredded Wheat" as a tradename. The suit was brought (V. I, pp. 24-25) to prevent defendant (a) from making any biscuit like plaintiff's, (b) from calling any kind of a product "Shredded" or "Shredded Wheat" and (c) from showing a picture of the biscuit on its packages or in its advertising.

Plaintiff's statement that the present suit was brought merely to restrain defendant's use of the words "shredded wheat" in its advertising and on the ends of its cartons and to restrain the use of the picture, amounts in effect to a confession that this suit was never intended as an attempt to prevent defendant from making and marketing its biscuit as "Kellogg's Whole Wheat Biscuit." If the language does not mean that, its meaning otherwise is not clear. In short, plaintiff in effect, renews its concession of defendant's indisputable right to make the patent expired biscuit which the Court below has denied it (Pet., p. 2, footnote).

This attempt of plaintiff to lead the Court to believe that defendant had "again abandoned" the words "Shredded Wheat" in 1930, that there was thus only the almost trivial excuse of defendant's use of the word "shredded" *in its advertising only* and on the *ends of its cartons only*, and of the *dish picture only*, to justify the bringing of this suit, would make the present action trivial if not almost moot, and would certainly show that the sweeping injunction finally ordered was highly unusual to say the least.

Also the above statement tends to support defendant's charge that the present suit like the first one was brought for advertising rather than judicial purposes and that it was only tried because defendant's Anti-Trust suit (*Kellogg Co. v. National Biscuit Co.*, 71 Fed. (2) 632) had forced plaintiff to try this advertising suit or stand as confessing that it had brought a trivial suit for advertising purposes. (Pet. pp. 9-19).

FILE COPY

Office - Supreme Court, U. S.

FILED

SEP 19 1938

CHARLES ELMORE OSOPLEY
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1938

NOS. 2 AND 56.

KELLOGG COMPANY,

Petitioner,

against

NATIONAL BISCUIT COMPANY,

Respondent.

BRIEF FOR PETITIONER

THOMAS D. THACHER,

W. H. CRICHTON CLARKE,

Solicitors for Petitioner.

^{no} **RICHARD H. DEMUTH,**

✓ **E. ENNALLS BERL,**

Of Counsel.

II

	PAGE
(5) The Record is Completely Devoid of Any Evidence of Passing Off or Deception of the Public	36
(6) Decisions Below.....	38
Specification of Errors.....	44
Summary of Argument.....	45
Argument	49
Introductory Statement.....	49
 POINT I: The Record Presents a Plain Case of <i>Damnum Absque Injuria</i> and Respondent Is Entitled to No Relief.....	 51
 POINT II: The Manufacture and Sale by Petitioner of Shredded Wheat Biscuits in the Pillow-Shaped Form Does Not Constitute Unfair Competition... ..	 55
A. Petitioner's use of the pillow-shaped form has caused no confusion, misleading or deceit	55
B. The pillow-shaped form is a functional and essentially useful characteristic of the biscuit, the use of which cannot be enjoined..	57
C. Upon the expiration of respondent's design patent covering the pillow-shaped form of biscuit, of its various patents on machinery designed to produce this form of biscuit, and of its product and process patent, during the life of which that product was known to the public only in this form, the right to make and vend the pillow-shaped biscuit was dedicated to the public.....	66

POINT III: The Use by Petitioner of the Words "Shredded Wheat" as Part of the Designating Phrase "Kellogg's Shredded Whole Wheat Biscuit" Does Not Constitute Trade-Mark Infringement or Unfair Competition.....	73
A. "Shredded wheat" is the descriptive, generic and only name of the article.....	73
B. Since "shredded wheat" is the descriptive, generic and only name of the article, no injunction may be granted against its use by the petitioner.....	83
C. Shredded wheat biscuits produced under respondent's patents were known to the public during the life of the patents only as shredded wheat or shredded wheat biscuits and, upon the expiration of the patents, the right to use these terms to designate the biscuits was dedicated to the public.....	95
POINT IV: Petitioner's Use of a Pictorial Representation of Its Biscuits on Some of Its Cartons and in Some of Its Advertisements Does Not Constitute Trade-Mark Infringement or Unfair Competition	103
POINT V: Respondent's Claim to the Exclusive Right to Make the Biscuit in the Pillow-Shaped Form, to Call It By Its Name and to Illustrate It By Pictorial Representation is Without Merit Because of Its Disclaimers of Those Very Rights in Its Trade-Mark Registrations.....	106
Conclusion	107
APPENDIX A: Analysis of the Objections to Each of the Irregular-Shaped Biscuits Suggested by Respondent	108

APPENDIX B: Typical Excerpts from the Testimony Showing that Petitioner's Goods Have Not Been and Could Not be Confused with Those of Respondent	112
APPENDIX C: Analysis of Testimony Relied Upon by Respondent To Show Confusion and Passing Off..	117
APPENDIX D: Typical Excerpts from the Testimony Showing that "Shredded Wheat" is Commonly Used and Understood as the Descriptive and Generic Name of the Article.....	121
APPENDIX E: Canadian Shredded Wheat Co., Ltd. v. Kellogg Company of Canada, Ltd., and Another..	125
APPENDIX F: In the Matter of the Trade Marks Acts, 1905 to 1919 and In the Matter of Trade Mark No. 500,671, Registered in the Name of the Shredded Wheat Company, Ltd. in Class 42.....	143

TABLE OF CASES CITED

	PAGES
American Waltham Watch Co. v. United States Watch Co., 173 Mass. 85.....	61
Amiesite Asphalt Co. v. Interstate Asphalt Co., 72 F. (2d) 946 (C. C. A. 3).....	94, 95, 96
Barton v. The Rex Oil Co., 29 F. (2d) 474 (C. C. A. 3).....	32, 94
Batcheller v. Thompson, 93 Fed. 660 (C. C. A. 2).....	102
Bayer v. United Drug Co., 272 Fed. 505 (S. D. N. Y.).....	53, 95, 102
Beckwith v. Commissioner of Patents, 252 U. S. 538	48, 82, 83, 84, 104, 106
Beech-Nut Co. v. Lorillard Co., 273 U. S. 629....	52
Bristol Co. v. Graham, 199 Fed. 412 (C. C. A. 8)	66, 105, 106
Brooten v. Oregon Kelp Ore Products Co., 24 F. (2d) 496 (C. C. A. 9).....	81, 84, 95
Brown Chemical Co. v. Meyer, 139 U. S. 540....	64, 83, 84, 92
Canadian Shredded Wheat Company, Ltd. v. Kel- logg Co. of Canada, Ltd. and another, 55 R. P. C. 125, All England Law Reports Ann. 1938, Vol. 1, Part 8, pp. 618-634, affirming [1936] Ont. Rep. 613, [1936] Ont. Rep. 281....	20, 21, 41, 42, 56, 76, 80; 83, 85, 86, 90, 125
Canal Co. v. Clark, 13 Wall. 311.....	50, 53, 64, 83, 84, 91, 92
Centaur Co. v. Genesh, 33 F. (2d) 985 (W. D. Pa.).....	100
Centaur Co. v. Heinsfurter, 84 Fed. 955 (C. C. A. 8).....	72, 96, 99, 100, 101
Chadwick v. Covell, 151 Mass. 190.....	59, 89
Charles Broadway Rouss, Inc. v. Winchester Co., 300 Fed. 706 (C. C. A. 2), cert. den. 266 U. S. 607.....	79-80

VI

PAGES

Clark, Son & Morland, Ltd.'s Trade Mark, 1938, Vol. 2, All England Law Rep. Ann. 377.....	93
Cocoa Cola Co. v. Gay-Ola Co., 200 Fed. 720 (C. G. A. 6), cert. den. 229 U. S. 613.....	56
Cocoa-Cola Co. v. Koke Co., 254 U. S. 143.....	59
Collis Co. v. Consolidated Machine Tool Corpora- tion, 41 F. (2d) 641 (C. C. A. 8), cert. denied 282 U. S. 886.....	69, 72, 96, 100, 101
Columbia Mills Company v. Alcorn, 150 U. S. 460.	88
Computing Scale Co. v. Standard Computing Scale Co., 118 Fed. 965 (C. C. A. 6).....	81, 82, 84
Coty v. LeBlume Import Co., 292 Fed. 264 (S. D. N. Y.).....	81, 82
Crescent Tool Co. v. Kilborn & Bishop Co., 247 Fed. 299 (C. C. A. 2).....	63
Daniel v. Electric Hose & Rubber Co., 231 Fed. 827 (C. C. A. 3).....	55, 62, 66, 72
Diamond Match Co. v. Saginaw Match Co., 142 Fed. 727 (C. C. A. 6), cert. den. 203 U. S. 589.	56
Dover Stamping Co. v. Fellows, 163 Mass. 191...	60
Du Pont Cellophane Co. v. Waxed Products Co., 85 F. (2d) 75 (C. C. A. 2), cert. den. 299 U. S. 601, 82 L. ed. 1041.....	53, 84, 94, 96
Edward Hilker Mop Co. v. United States Mop Co., 191 Fed 613 (C. C. A. 6).....	63
Elgin Nat'l Watch Co. v. Illinois Watch Co., 179 U. S. 665.....	53, 64, 83, 84, 90, 92
Fawcett Publications v. Popular Mechanics Co., 80 F. (2d) 194 (C. C. A. 3).....	53, 84, 92
Federal Trade Commission v. Klesner, 280 U. S. 19.....	53
Fels v. Christopher Thomas & Brothers, Ltd., 21 R. P. C. 85.....	88
Flagg Manufacturing Co. v. Holway, 178 Mass. 83.....	60, 66, 89
Franklin Knitting Mills, Inc. v. Fashionit Sweater Mills, Inc., 297 Fed. 247 (S. D. N. Y.), aff'd, 4 F. (2d) 1018 (C. C. A. 2).....	81

VII

	PAGES
Globe-Wernicke Co. v. Fred Macey Co., 119 Fed.	
696 (C. C. A. 6), cert. denied 194 U. S. 634...	62
Goodyear Co. v. Goodyear Rubber Co., 128 U. S.	
598	53, 84, 92
Hanover Milling Co. v. Metcalf, 240 U. S. 403....	52, 53, 84
Heide v. Wallace & Co., 135 Fed. 346 (C. C. A. 3).	56
Herring-Hall-Marvin Safe Co. v. Hall's Safe Co.,	
208 U. S. 554.....	84
Holzappel's Co. v. Rahtjen's Co., 183 U. S. 1.95, 98, 102, 107	
Horlick's Food Co. v. Elgin Milkine Co., 120 Fed.	
264 (C. C. A. 7).....	69, 70, 95, 96
Howe Scale Co. v. Wyckoff, Seamans & Benedict,	
198 U. S. 118.....	53, 84, 88
Hygienic Fleeced Underwear Co. v. Way, 137 Fed.	
592 (C. C. A. 3).....	84
In re Canada Dry Ginger Ale, Inc., 87 F. (2d)	
736 (Cust. and Pat. App.).....	107
In re Continental Oil Co., 75 F. (2d) 217. (Cust.	
and Pat. App.).....	107
In the Matter of the Trade Mark Acts, 1905 to	
1919 and In the Matter of Trade Mark No.	
500,761 Registered in the Name of The	
Shredded Wheat Co., Ltd. in Class 42 (Su-	
preme Court of Judicature, Court of Appeal). 41, 76, 80,	
83, 85, 86, 143	
In re Scholl Manufacturing Co., Inc., 267 Fed.	
348 (App. D. C.).....	105
J. A. Scriven Co. v. Morris, 154 Fed. 914 (D. Md.), ^a	
aff'd, 158 Fed. 1020 (C. C. A. 4), appeal dis-	
missed, 223 U. S. 742.....	66-67
Jamieson & Co. v. Jamieson, 15 R. P. C. 169.....	88
Kellogg Company v. National Biscuit Company,	
71 F. (2d) 662 (C. C. A. 2).....	80
Kellogg Toasted Corn Flake Co. v. Quaker Oats	
Co., 235 Fed. 657 (C. C. A. 6).....	81, 88, 90
Krem-Ko Co. v. Miller & Sons, Inc., 68 F. (2d) 872	
(C. C. A. 2).....	56
Lawrence Mfg. Co. v. Tennessee Mfg. Co., 138	
U. S. 537.....	64, 83, 84, 92

VIII

PAGES

Leclanche Battery Co. v. Western Electric Co., 23 Fed. 276 (S. D. N. Y.).....	95, 96
Linoleum Manufacturing Co. v. Nairn, 7 Ch. Div. 834	95, 96, 97
Manufacturing Co. v. Trainer, 101 U. S. 51.....	53, 83, 84
Marvel Co. v. Pearl, 133 Fed. 160 (C. C. A. 2) ..	61, 62, 82
Maytag Co. v. Meadows Mfg. Co., 35 F. (2d) 403 (C. C. A. 7) cert. denied 281 U. S. 737, 283 U. S. 843.....	63
McKesson & Robbins, Inc. v. Chas. Phillips Chemical Co., 23 F. (2d) 763 (App. D. C.)...	100-101
McKesson & Robbins, Inc. v. Chas. Phillips Chemical Co., 53 F. (2d) 342, 1011 (C. C. A. 2), cert. denied 285 U. S. 552.....	82, 101
McLean v. Fleming, 96 U. S. 245.....	88
Merriam Co. v. Syndicate Publishing Co., 237 U. S. 618.....	95
Miller Rubber Co. v. Behrend, 242 Fed. 515 (C. C. A. 2).....	56
National Lock Washer Co. v. Hobbs Mfg. Co., 210 Fed. 516 (D. Mass.).....	67
Natural Food Co. v. Bulkley, No. 28,530, N. Dist. Ill., East Div.....	8, 68, 69
Natural Food Co. v. Williams, 30 App. D. C. 348. .	10, 11, 79, 80, 83, 101
P. Lorillard Co. v. Peper, 86 Fed. 956 (C. C. A. 8), cert. denied 171 U. S. 690.....	50, 63, 88
Parsons Bros. & Co. v. John Gillespie & Co., 15 R. P. C. 57 (Privy Council).....	81, 82, 84, 88, 90, 91
Pennsylvania Salt Manuf'g Co. v. Myers, 79 Fed. 87 (E. D. Mo.).....	81
Photoplay Publishing Co. v. LaVerne Publishing Co., 269 Fed. 730 (C. C. A. 3).....	92, 94
Pope Automatic Merchandising Co. v. M'Crum- Howell Co., 191 Fed. 979 (C. C. A. 7), cert. denied 223 U. S. 730.....	63
Postum Cereal Co. v. American Health Food Co., 119 Fed. 848 (C. C. A. 7).....	56, 88

IX

	PAGES
President Suspender Co. <i>v.</i> MacWilliams, 238 Fed.	
159 (C. C. A. 2).....	102
Prestonettes, Inc. <i>v.</i> Coty, 264 U. S. 359.....	52, 53
Rathbone Sard & Co. <i>v.</i> Champion Steel Range	
Co., 189 Fed. 26 (C. C. A. 6).....	53, 63
Reddaway <i>v.</i> Banham, [1896] A. C. 199, 13 R. P. C.	
218	53, 84, 85
Rice-Stix Dry Goods Co. <i>v.</i> J. A. Scriven Co., 165	
Fed. 639 (C. C. A. 8), cert. denied 212 U. S.	
582	67
Rit Products Corporation <i>v.</i> Park & Tilford, 55 F.	
(2d) 436 (Cust. and Pat. App.).....	105
Rouss, Inc. <i>v.</i> Winchester Co., 300 Fed. 706 (C. C.	
A. 2), cert. den. 266 U. S. 607.....	53
S. Chivers & Sons <i>v.</i> S. Chivers & Co., Ltd., 17	
R. P. C. 420.....	88
Sanitas Nut Food Co. <i>v.</i> Voigt, 139 Fed. 551	
(C. C. A. 6).....	80
Saxlehner <i>v.</i> Eisner & Mendelson Co., 179 U. S.	
19	72, 94, 101
Saxlehner <i>v.</i> Wagner, 216 U. S. 375.....	50, 59, 60,
	84, 88, 89, 94
Scandinavia Belting Co. <i>v.</i> Asbestos & Rubber	
Works, 257 Fed. 937 (C. C. A. 2).....	92, 93, 100
Shredded Wheat Co. <i>v.</i> Humphrey Cornell Co.,	
250 Fed. 960 (C. C. A. 2).....	17, 19, 27, 31, 32, 56,
	58, 64, 66, 80, 105
Singer Manufacturing Co. <i>v.</i> June Manufacturing	
Co., 163 U. S. 169.....	39, 46, 48, 49, 51, 52,
	60, 66, 67, 68, 69, 70,
	71, 89, 95, 96, 97, 99,
	102, 103
Sproull <i>v.</i> Pratt & Whitney Co., 97 Fed. 807.....	70
Standard Oilshares <i>v.</i> Standard Oil Group, 17 Del.	
Ch. 113, 150 Atl. 174.....	84
Standard Paint Co. <i>v.</i> Trinidad Asphalt Co., 220	
U. S. 446.....	53, 64, 82, 83, 84,
	89, 90, 92, 94

	PAGES
<i>Straus v. Notaseme</i> , 240 U. S. 179.....	53
<i>Thaddens Davids & Co. v. Davids</i> , 283 U. S. 461...	79
<i>The Amoskeag Manufacturing Company v. Spear</i> , 2 Sandford's Supreme Court 599.....	91
<i>The Cellular Clothing Company v. Maxton & Mur-</i> <i>ray</i> , [1899] A. C. 326, 16 R. P. C. 397.....	67, 84, 87, 95
<i>The French Republic v. Saratoga Vichy Spring</i> <i>Co.</i> , 191 U. S. 427.....	53, 94
<i>The Singer Manufacturing Company v. Loog, L. R.</i> <i>8, App. Cases 15 (House of Lords)</i>	67, 95, 103
<i>Thompson v. Montgomery</i> , 41 Ch. Div. 35, 8 R. P. C. 361.....	92, 93
<i>Trappey v. McIlhenny Co.</i> , 281 Fed. 23 (C. C. A. 5).....	93
<i>Trinidad Asphalt Manufacturing Co. v. Standard</i> <i>Paint Co.</i> , 163 Fed. 977 (C. C. A. 8).....	94
<i>Van Kannel Revolving Door Co. v. American Re-</i> <i>volving Door Co.</i> , 215 Fed. 582 (C. C. A. 7)...	105, 106
<i>Warner & Co. v. Lilly & Co.</i> , 265 U. S. 526.....	53, 58, 64, 83, 84, 92
<i>Warner-Patterson Co. v. Malcomb</i> , 39 F. (2d) 274 (Cust. and Pat. App.).....	107
<i>Warren Featherbone Co. v. American Feather-</i> <i>bone Co.</i> , 141 Fed. 513 (C. C. A. 7).....	67, 96
<i>Waterman Company v. Modern Pen Co.</i> , 235 U. S. 88.....	53, 84
<i>William H. Keller, Inc. v. Chicago Pneumatic</i> <i>Tool Co.</i> , 298 Fed. 51 (C. C. A. 7), cert. denied 265 U. S. 593.....	66
<i>Wotherspoon v. Currie</i> , [1872] L. R. 5, H. L. 508.	92, 93
<i>Yale & Towne Manufacturing Co. v. Ford</i> , 203 Fed. 707 (C. C. A. 3).....	67, 96

OTHER AUTHORITIES CITED

<i>Derenberg, Trade-Mark Protection and Unfair</i> <i>Trading</i>	83
<i>O. W. Holmes, Jr., The Common Law</i>	50
<i>Trade-Mark Act of 1905</i>	10, 79, 82, 93, 100-101
<i>Trade-Mark Act of 1920</i>	11, 79

IN THE
Supreme Court of the United States
OCTOBER TERM, 1938.

Nos. 2 and 56.

KELLOGG COMPANY,	}
Petitioner,	
AGAINST	
NATIONAL BISCUIT COMPANY,	
Respondent.	

BRIEF FOR PETITIONER.

Opinions Below.

The opinion of the United States District Court for the District of Delaware (R. 1, p. 193) was filed on January 11, 1935. It contains a statement of the essential facts found by the court in conformity with Equity Rule 70½ (R. 1, p. 228). It is not reported. The per curiam opinion of the Circuit Court of Appeals for the Third Circuit, affirming the decree of the District Court (R. 3-A, p. 2069), was filed January 16, 1936, and is not reported. The opinion of the Circuit Court of Appeals upon rehearing, vacating its decree affirming the judgment of the District Court and reversing said judgment (R. 3-A, p. 2083), was



TABLE OF CONTENTS

	PAGE
Opinions Below.....	1
Jurisdiction	2
Questions Presented.....	2
Statement	3
(1) Respondent's Monopoly of Shredded Wheat..	6
(2) Respondent's Persistent Use of "Shredded Wheat" as the Generic and Descriptive Name of the Biscuit.....	9
A. Respondent's Trade-Marks.....	9
B. Respondent's Cartons and Advertise- ments	12
(3) Respondent's Efforts to Perpetuate Its Mo- nopoly by Litigation.....	16
(4) Petitioner's Methods of Competition and its Precautions to Avoid Confusion and Pass- ing Off	21
A. Petitioner's Cartons	22
B. The Form of the Biscuits.....	25
C. Petitioner's Advertising and Sales Methods	28
D. Sale of Biscuits to the Restaurant Trade	31
E. Dealer Advertising of Petitioner's Biscuit	32
F. Governmental and Institutional Sales of Petitioner's Biscuit.....	33
G. Petitioner's Use of the Phrase "The original has this signature, W. K. Kellogg"	35

and from advertising or offering for sale its product in the form and shape of plaintiff's biscuit in violation of its trade-mark"

which trade-mark the Court described in its opinion (R. 3-A, p. 2085) as

"consisting of a dish containing two biscuits submerged in milk".

To review this judgment petitioner filed a petition for certiorari in this Court, which was denied October 25, 1937, and thereafter applied for reconsideration of its petition, which was denied November 8, 1937.

Upon the issuance of the mandate, an interlocutory decree was entered and injunction issued in the words of the mandate. Thereafter question arose in the District Court as to the meaning of the words of injunction taken from the mandate (R. 3-A, pp. 2249-2250). On May 5, 1938, the Circuit Court of Appeals, on motion of respondent to recall its mandate for clarification, ordered (R. 3-A, p. 2286):

"That the said Mandate be clarified so as to direct the United States District Court for the District of Delaware to enter a decree, in the usual form, enjoining the defendant Kellogg Company (1) from the use of the name 'Shredded Wheat' as its trade name, (2) from advertising or offering for sale its product in the form and shape of plaintiff's biscuit, and (3) from doing either . . ."

Thereupon petitioner filed in this Court a second petition for certiorari to review this last decree of the Circuit Court of Appeals. Coincidentally therewith, petitioner moved for leave to file out of time a second petition for rehearing of its first petition for certiorari, seeking review of the decree of the Circuit Court of Appeals entered on April 12, 1937. On May 31, 1938 this motion and both petitions for certiorari were granted.

Shredded wheat is a product composed of whole wheat which has been boiled, partially dried and then drawn out into thin shreds. The product is best known to the public in the familiar form of pillow-shaped biscuits which are used as a dry cereal food. The pillow-shaped form of the biscuits unavoidably results from the process of their manufacture, which was formerly protected by patents held by respondent and its predecessors (hereinafter referred to collectively as "respondent"), and ~~is the only~~ commercially practicable form in which the biscuits can be made.

The monopoly enjoyed for many years by the respondent under the protection of these patents covered the product shredded wheat, the process of its manufacture, the characteristic pillow-shaped form of the biscuits and the machinery essential for their manufacture. Respondent has always called its biscuits by their generic name, "Shredded Wheat", without any prefix or suffix indicating origin.

Petitioner's biscuits, made by the use of the ~~patent~~-expired machinery and process, are in the same form as respondent's but are less than two-thirds their size (R. 1, p. 203). They are sold in distinctive cartons under the names "Kellogg's Whole Wheat Biscuit" and "Kellogg's Shredded Whole Wheat Biscuit". Reproductions of petitioner's and respondent's cartons appear in the opinion of the District Court at R. 1, pp. 205-219.

The District Court found (R. 1, pp. 204, 221, 225, 226) and the evidence abundantly establishes:

(1) That both parties sell their product only in cartons and that the cartons employed by petitioner, which are dominated by the name "Kellogg" printed in bold script, bear no resemblance to respondent's cartons and cannot be mistaken for them;

(2) That no confusion can result from the sale of petitioner's biscuits in the distinctive Kellogg cartons, that there has been no passing off of petitioner's

biscuits for respondent's, and that there has been no deception of the public;

(3) That only 2½% of petitioner's biscuits are served in restaurants, lunchrooms and hotels, that of this 2½%, 98% are served in distinctive individual cartons and that only approximately one in every 5,000 biscuits sold by the petitioner is served apart from the carton;*

(4) That petitioner's biscuits served outside the carton are distinguishable from respondent's because of their smaller size; and

(5) That "shredded wheat" is the only name by which the biscuit is known to the public and is the only name by which it was described during the existence of the patents.

Without disturbing these findings, the Circuit Court of Appeals none the less held on reargument that respondent had the exclusive right to sell the biscuit in its only commercially practicable form and to call it by the only name by which it is known. In effect, therefore, and without any proof of deception or passing off, the Circuit Court of Appeals has granted respondent a perpetual monopoly of this standard food product.

(1) Respondent's Monopoly of Shredded Wheat.

The opinion of the District Court briefly and succinctly reviews the history of the shredded wheat industry (R. 1, pp. 194-203). This review is prefaced by the following pertinent observation, amply borne out by the evidence (R. 1, p. 194):

"The case involves a brief review of events from 1894 to date—a stretch of 40 years. The early years

* The computation of one in 5,000 made by the District Court upon the percentages shown is incorrect and the correct result is one in every 2,000.

cover the period of plaintiff's patent monopoly of the manufacture and sale of shredded wheat biscuit. Throughout the subsequent years the review deals with plaintiff's efforts to perpetuate that monopoly by means of trade-marks and suits against competitors."

Henry D. Perky, of Denver, Colorado, was the founder of respondent's business. He incorporated The Cereal Machine Company in 1893 and became its president. This company operated the Cereal Restaurant in Denver, in which were sold all sorts of shredded food, including wheat, turkey, lobster, vegetables and meats (R. 1, p. 195; R. 2, pp. 984-985). Its advertisements featured shredded whole wheat bread and shredded cereal coffee (R. 1, p. 195; D. Ex. 108*). Perky's original shredding machines were located in the basement of this restaurant (R. 2, p. 981). His plan at the start, as indicated by the name "The Cereal Machine Company", was to sell small shredding machines to the public so that housewives could shred their own food (R. 1, pp. 195, 575; R. 3, p. 2011).

This plan was soon abandoned, and after an experimental period in Denver and an unsuccessful start at Worcester, Massachusetts, respondent in 1901 established itself permanently at Niagara Falls, N. Y. where a large factory was built (R. 1, 195). The business was at that time conducted by The Natural Food Company, of which Perky was president. The name of the company was changed to The Shredded Wheat Company in 1908, and its business and good-will were acquired by the respondent in 1930.

Perky was a prolific inventor, having secured over forty patents connected with the production of shredded wheat and shredded wheat biscuits between 1893 and 1905, the year of his death. The applications made by Perky for these patents consistently used the words "shreds",

* Respondent's exhibits not printed in the record will be referred to as "P. Ex." followed by the appropriate number, and petitioner's exhibits as "D. Ex."

"shredded", "shredding rolls" "shredding machines", and the like, in a purely descriptive sense to describe the patented manufacturing process and the patented product made by use of the process (R. 1, p. 196; R. 5, pp. 1-328; see p. 74, *infra*).

The basic Perky patent No. 548,086 (R. 5, p. 59) was granted on October 15, 1895. This patent discloses a process of boiling the original whole wheat berry, partially drying it and then forcing it between compression rollers, one or both of which has peripheral grooves which mash the several parts of the berry into a soft paste. This paste is then forced out by means of combs or scrapers, so as to emerge in thin filaments or shreds. The patent covered both the process and the product. It expired by limitation on October 15, 1912 (R. 1, pp. 196-197).

On September 17, 1895, Perky took out a design patent, No. 24,688, upon a biscuit shown in accompanying drawings (R. 5, pp. 62-63). The form and shape of the biscuit covered by this design patent are the form and shape of the biscuit as made by respondent from the commencement of its business to the present date. This patent would have expired by limitation on September 17, 1909, but in 1908 it was declared invalid by Judge Koblsaas on the ground that the design had been in public use for more than two years prior to the application for the patent and therefore had already been dedicated to the public. *Natural Food Co. v. Bulley*, No. 28,530, N. Dist. Ill., East. Div. (P. Ex. 273).

Among the other patents secured by Perky were several covering improvements in the machinery for the production of shredded wheat biscuits, which, as shown in the patent specifications, were designed to produce the characteristic pillow-shaped shredded wheat biscuits (R. 5, pp. 12-13, Perky patent No. 532,286; p. 50, Perky patent No. 533,555; p. 66, Perky patent No. 571,284; p. 82 Perky patent No. 614,338; p. 92, Perky patent No. 67,892; p. 110, Perky patent No. 678,127; p. 122, Perky patent No. 678,625; p. 136, Perky patent No. 681,656). Indeed, respondent's chief chemist, who was formerly the produc-

tion manager of the Shredded Wheat Bakeries, admitted that respondent's machines, constructed according to the expired Perky patents, "cannot produce anything else except the pillow-shaped form of biscuit" (R. 1, p. 291).

The District Court found that *up to 1915* respondent printed prominently upon packages containing its biscuit, the following notice (R. 1, pp. 195-196):

"September 17, 1895 PATENTED October 15, 1895

THIS FOOD, the process of making it, and special machinery for its manufacture, are under the protection of the United States Government by virtue of many patents, as follows:"

This notice was followed by a list of forty-one patents, including the basic product and process patent which had expired in 1912, and the design patent which was declared invalid in 1908, and would have expired in 1909. With reference to the latter, the District Court stated (R. 1, p. 197):

"* * * Instead of removing notice of the Perky design patent from the carton or otherwise notifying the public it was no longer claiming protection under the patent, plaintiff continued for seven years thereafter to warn the public not to make the biscuit as it was under the protection of the government by virtue of this design patent. By its professions and conduct plaintiff secured a monopoly not for fourteen years but actually for twenty years."

(2) Respondent's Persistent Use of "Shredded Wheat" As the Generic and Descriptive Name of the Biscuit.

A. Respondent's Trade-Marks.

The District Court found that for twenty years, from 1894 until 1914, respondent's trade-mark was the goddess Ceres, represented as holding a torch in one hand and a sheaf of wheat in the other (R. 1, p. 195). This "Ceres"

trade-mark appeared on both ends of respondent's carton until 1910, when it was removed from one end and supplanted by a picture of Niagara Falls (R. 1, pp. 588-589). In 1915 the goddess was entirely removed and the picture of Niagara Falls substituted (R. 1, 597).

Respondent made no claim to the words "shredded wheat" or "shredded whole wheat" as a trade-mark until 1905, when it filed an application for the registration of "Shredded Whole Wheat" as a trade-mark under the so-called ten-year clause of the newly-enacted Trade-Mark Act of 1905 (33 Stat. 725, ch. 592, 15 U. S. C. A. § 85). Filing of the application under the ten-year clause was, of course, an admission that the words were either the generic or descriptive name of the product, or both, and, as such, not entitled to protection as a technical trade-mark.* William E. Williams filed notice of opposition. The proceeding was carried through the Patent Office to the Court of Appeals of the District of Columbia. In *Natural Food Co. v. Williams*, 30 App. D. C. 348, that court held that the words "shredded whole wheat" accurately and aptly describe the product, that until 1905 they had been used by respondent as descriptive rather than as a trade-mark, respondent's trade-mark having been the goddess Ceres, and that they were not entitled to registration under the

* The Trade-Mark Act of 1905 provides for the registration of distinctive trade-marks, but prohibits the registration of a mark which consists "merely in words or devices which are descriptive of the goods with which they are used, or of the character or quality of such goods" The ten-year clause, however, provides that the foregoing prohibition shall not "prevent the registration of any mark used by the applicant or his predecessors, or by those from whom title to the mark is derived, in commerce with foreign nations or among the several States, or with Indian tribes, which was in actual and exclusive use as a trade-mark of the applicant or his predecessors from whom he derived title for ten years next preceding February 20, 1905. . . ." (33 Stat. 725, ch. 592, 15 U. S. C. A. § 85).

ten-year clause because respondent had not used them exclusively for the prescribed period.

Thereafter, in 1912, respondent registered the picture of its factory as one of its trade-marks, No. 89,071 (R. 4, p. 199). This picture has appeared on the face of respondent's cartons since 1910, accompanied by the words "The Home of Shredded Wheat." Acquiescing in and acting upon the holding in *Natural Food Co. v. Williams* that "shredded wheat" were descriptive words and therefore not properly subject to registration, respondent, to secure the registration of the factory picture, disclaimed the descriptive words by stating "No claim is made herein to the words 'The Home of Shredded Wheat'". Further, in describing the goods to which the trade-mark was applied, respondent stated that it had adopted the picture as a mark "for shredded wheat, in class No. 46, Foods and ingredients of foods" (R. 4, p. 199).

Respondent also secured in 1912 trade-mark registration No. 85,186 (R. 4, p. 197) on an alleged trade-mark showing one shredded wheat biscuit in a dish with a spoon and milk or cream. The application contains the following disclaimer: "no claim being made to the representation of a shredded wheat biscuit." The appearance of the article was again disclaimed in respondent's trade-mark registration No. 216,593 (R. 4, p. 205) of an alleged trade-mark consisting of a dish containing two shredded wheat biscuits in milk or cream, which states: "Applicant disclaims any exclusive right to the representation of two biscuits apart from the mark shown."

When the Trade-Mark Act of 1920 (41 Stat. 533, 15 U. S. C. A. § 121) was enacted, permitting the registration of descriptive and generic names, respondent secured two registrations of the words "shredded wheat", Nos. 178,725 and 213,456 (R. 4, pp. 201, 203). Despite the decision of the Court of Appeals in *Natural Food Co. v. Williams*, *supra*, that the words had not been employed by respondent as a trade-mark prior to 1905, and, being descriptive,

were not entitled to be so used, respondent claimed use as a trade-mark "since January 1, 1894." Registration under the 1920 Act, unlike that under the 1905 Act, creates no presumption of validity or ownership (see pp. 79-80, *infra*). Respondent's registration under this Act is, however, a formal admission that the words registered, being either descriptive or generic or both, are not subject to appropriation as a valid technical trade-mark.*

Since 1910 respondent has also used a picture of Niagara Falls, where its principal factory is located, as a trade-mark to indicate the origin of its goods, irrespective of whether they are produced at the Niagara Falls factory or elsewhere (R. 1, p. 564). This mark was extensively advertised, as a result of which respondent's product since at least 1911 has been generally known as Niagara Falls Shredded Wheat.†

B. Respondent's Cartons and Advertisements.

In its cartons and advertisements, as in its trade-mark registrations, respondent has continuously used the words "shredded wheat" and "shredded whole wheat" in their primary sense, as descriptive of and as the generic name of the biscuit it produces. The following few instances of such use are but typical of the many contained in the record.‡

Most of respondent's cartons have contained, in one form or another, the explanatory phrase: "Consists of the entire wheat grain (nothing added) made light and short

* See page 79, *infra*. A proceeding is now pending before the Commissioner of Patents for the cancellation of this registration but the proceeding has been stayed by stipulation pending final determination of this case.

† Respondent's former advertising manager testified to this effect (R. 1, p. 601) and his testimony is amply supported by the testimony of consumers throughout the country (see, *e. g.*, R. 2, pp. 711, 715).

‡ See P. Exs. 2-4, 87-112.

by mechanical shredding and thorough cooking" (R. 1, p. 583; P. Exs. 2-4).

Respondent's cartons have also consistently contained the phrases: "Shredded Wheat is Made of the Whole Wheat and is made digestible by steam cooking, shredding and baking" and "The crispness of its shreds promotes thorough mastication" (R. 1, p. 591).

Ever since 1907 respondent's cartons have prominently carried the phrase "It's All In The Shreds". The reason for this slogan is aptly stated by Colonel De Weese, for twenty-five years advertising manager of respondent's predecessor, The Shredded Wheat Company. He stated (R. 1, pp. 581-582):

"The reason for the slogan 'It's All In The Shreds' was that those five words seemed to embody everything there was to say about that whole wheat; It's All In the Shreds meaning that the whole wheat grain, all the whole wheat grain was in the shreds; and then the other meaning conveyed was that the virtue of the product was in the shredding process, you see. So we meant to have those five words convey all there was to say about Shredded Wheat."

For several years, when threatened by competition in the sale of shredded wheat biscuits, respondent placed upon its cartons the words "The Original Shredded Wheat". Thus respondent recognized that it was necessary to distinguish its shredded wheat from any other shredded wheat on the market. As respondent's former advertising manager explained (R. 1, p. 597):

"* * * The words *The Original* above Shredded Wheat were also a reaction to competition of some sort and were put on there because another shredded wheat was being made. We wanted to identify this Niagara Falls Shredded Wheat as the original one." (Italics in original.)

It should be noted that at the time of trial, respondent was still calling its product "Original Shredded Wheat" on its 36 package cartons sold to grocers (R. 3, p. 1957).

Respondent's advertisements used the words "shredded wheat" in a similarly descriptive and generic sense. A few typical examples follow:

Respondent's pamphlet (D. Ex. 229) reads in part:

"How shall we prepare the whole wheat so that its body-building elements may be digested and formed into healthy tissue, bone and brain? That question was solved by the man who invented Shredded Whole Wheat Biscuit. In making Shredded Wheat the whole wheat grains are first thoroughly cleaned, then cooked in steam, then drawn out into filmy shreds, then baked in ovens at a high temperature. The crispness of the shreds encourages thorough chewing, and that insures perfect digestion. That's the reason Shredded Wheat is such a perfect food for children. It makes sound teeth and healthy gums. They like the crisp, flavorful shreds of the baked whole wheat, and it is so much better for them than mushy porridges."

Respondent's book of recipes (D. Ex. 230) states:

"Shredded Wheat brings you wheat in its most digestible form. The plump whole grains are steamed to break down all the starch cells, insuring quick digestibility. Then they are drawn into long, filmy shreds, so porous they will readily absorb more than four times their own weight in milk. Layer upon layer, the shreds form biscuits. Then—unsalted, unsweetened—they march into the ovens. And these tempting shreds of whole wheat are baked to a crisp and appetizing golden-brown."

One of respondent's advertisements (D. Ex. 226) suggests to the public:

"When you ask for Shredded Wheat be sure you get the original Shredded Wheat you have always eaten, made at Niagara Falls, N. Y. . . ."

If you ask for Shredded Wheat and receive a different Shredded Wheat from that which you have

always eaten (made in Niagara Falls, N. Y.), kindly write us at the Home Office and receive a copy of our booklet, 'The Happy Way to Health.'

Another (R. 2, p. 1155) reads:

"Made at Niagara Falls. Look for the picture of Niagara Falls on the end of the carton when you buy Shredded Wheat Biscuit. Any other Shredded Wheat that may be offered you is merely a poor imitation of the only Original Shredded Wheat * * *."

Advertisements appearing in newspapers and magazines throughout the country reiterated for years on end the assertions that respondent's product was nothing but whole wheat, "steam-cooked, shredded and baked", that "it is the shredding process that puts the 'eat' in whole wheat", that the biscuits are "made easy to serve and easy to eat in crisp, oven-baked shreds" and that "It's All In The Shreds" (P. Exs. 87-112). Booklets entitled "Shreds of Life" and "Health in Every Shred" were distributed in lots of one to five million to publicize respondent's product (R. 1, p. 565). Examination of the hundreds of advertisements in evidence shows that almost all of them were designed to convey to the public the belief that the particular virtue of respondent's product lay in the shredding process and the shredded form of the product (see R. 1, p. 570).

Thus it was very largely due to respondent's own efforts that shredded wheat has become at once the descriptive, generic and only name of the article, just as condensed milk is the descriptive, generic and only name for that particular article. Respondent's former advertising manager testified (R. 1, p. 571-572):

"The effect of this continual advertising of Shredded Wheat upon the expression *shredded wheat* was to make it a sort of household word, as if you would speak of starch or potatoes, as differentiated or distinguished from proprietary foods, like Grape-Nuts, or Mello-Wheat, or any of those foods in those days. You would not expect to find any of them mentioned

filed April 12, 1937 and is reported in 91 F. (2d) 150. The opinion of the Circuit Court of Appeals, recalling and clarifying its mandate (R. 3-A, p. 2282), was filed May 5, 1938 and is reported in 96 F. (2d) 873.

Jurisdiction.

The jurisdiction of this Court has been invoked under Section 240(a) of the Judicial Code, as amended by the Act of February 13, 1925, c. 229, § 1, 43 Stat. 938 (28 U. S. C. A. § 347(a)).

The order of the Circuit Court of Appeals reversing the decree of the District Court was filed on April 12, 1937 (R. 3-A, p. 2094). Petition for a writ of certiorari to review this order was filed in this Court on September 10, 1937 and denied on October 25, 1937. Thereafter, on May 5, 1938, the order of the Circuit Court of Appeals, recalling and clarifying its mandate, was filed (R. 3-A, p. 2285). Upon consideration of a petition for a writ of certiorari to review said order and upon reconsideration of the original petition, writs of certiorari to review both orders of the Circuit Court of Appeals were granted by this Court on May 31, 1938.

Questions Presented.

This case involves the right of the petitioner to manufacture and sell in competition with the respondent, shredded wheat biscuits, the court below having enjoined the petitioner (1) from the use of the name "Shredded Wheat" as a trade-name; (2) from advertising or offering for sale its product in the form and shape of respondent's pillow-shaped biscuit; and (3) from doing either.

The questions presented are:

- (1) Whether the manufacture and sale by petitioner of shredded wheat biscuits in the pillow-shaped form constitutes unfair competition;

(2) Whether the use by petitioner of the words "shredded wheat" as part of the designating phrase "Kellogg's Shredded Whole Wheat Biscuit" constitutes trade-mark infringement or unfair competition;

(3) Whether respondent is entitled to a perpetual monopoly in the name and form of shredded wheat biscuits after its patent monopoly has terminated; and

(4) Whether, if petitioner has the right to make shredded wheat biscuits in the pillow-shaped form, it has the right to illustrate its product on its cartons and in its advertisements by pictorial representation of its biscuit appearing in a dish or otherwise.

STATEMENT.

This action was commenced in the United States District Court for the District of Delaware. It was brought by respondent, a New Jersey corporation, to restrain petitioner, a Delaware corporation, from the manufacture and sale of shredded wheat biscuits in their characteristic pillow-shaped form and from the use of the words "shredded wheat" to designate its product, on grounds of unfair competition and trade-mark infringement.

After trial, the bill of complaint was dismissed by the District Court upon findings of fact incorporated in its opinion (R. 1, p. 228).

Upon appeal to the Circuit Court of Appeals for the Third Circuit, the judgment of the District Court was unanimously affirmed (R. 3-A, pp. 2069, 2093), but upon reargument the order of affirmance was vacated and the District Court was directed (R. 3-A, p. 2094):

"to enter a decree enjoining the defendant from the use of the name 'Shredded Wheat' as its trade name

marketed in limited quantities under the name "Kellogg's Shredded Whole Wheat Biscuit". Respondent immediately asserted exclusive rights in the name "shredded wheat" and in the appearance of the biscuit (R. 1, pp. 103-105). Petitioner denied the existence of any such rights (D. Ex. 237) and continued operations for approximately a year (R. 2, p. 1048).*

In 1927 petitioner re-entered the field with the production of the small-sized shredded wheat biscuit which it sells today. This biscuit has been marketed both under the name "Kellogg's Whole Wheat Biscuit" and under the name "Kellogg's Shredded Whole Wheat Biscuit". In 1928 respondent brought suit in Connecticut against two of petitioner's dealers. After some depositions were taken respondent moved no further until the suit was ripe for dismissal for want of prosecution. In 1930 the action was discontinued by stipulation without prejudice to petitioner's rights, and petitioner continued in the manufacture and sale of its biscuit (R. 1, p. 203). Two years later, five years after petitioner had recommenced production and sale of its biscuit, without any further change in the situation, the present suit was commenced to enjoin the further conduct of this established business..

In 1934, when the petitioner introduced its biscuit into Canada through its Canadian company, suit was brought against this company by respondent's Canadian subsidiary, seeking precisely the same relief and on the same grounds as respondent seeks in the case at bar. After trial upon the merits, the action was dismissed. *Canadian Shredded Wheat Company, Ltd. v. Kellogg Co. of Canada, Ltd. and another*, [1936] Ont. Rep. 281. This judgment was unanimously affirmed by the Court of Appeal of Ontario in November, 1936 and by the Judicial Committee of the Privy Council in February, 1938. *Canadian Shredded*

* The statement in the second opinion of the court below that petitioner ceased producing its 1922 biscuit immediately after respondent's complaint to it (R. 3-A, p. 2085) is a clear misapprehension of the record.

Wheat Company, Ltd. v. Kellogg Co. of Canada, Ltd. and another, 55 R. P. C. 125, All England Law Reports Ann. 1938, Vol. 1, Part 8, pp. 618-634, affirming [1936] Ont. Rep. 613. The well-considered opinion of the Privy Council is printed as an appendix to this brief with annotations to show how precisely the controlling facts in that case are duplicated in the case at bar (see pp. 125-143, *infra*).

Two other products made with machinery covered by the Perky patents should be noted. One is "Muffets", a round cereal biscuit marketed by the Quaker Oats Company, and the other is "Rippled Wheat", made by the Loose-Wiles Biscuit Company. Neither Muffets nor Rippled Wheat is a shredded wheat product. They are both rolled ribbon products, the Perky machines being adjusted contrary to the instruction of the patents for the production of shredded wheat (R. 1, p. 285; R. 2, pp. 1079-1080, 1129). They differ from shredded wheat biscuits in textural structure and in their baking qualities; they are not comparable products from a commercial standpoint (R. 2, p. 1129). Neither Muffets nor Rippled Wheat meets the specifications of the federal government for shredded wheat, whereas both respondent's and petitioner's products do (R. 2, pp. 1079-1080).

(4) Petitioner's Methods of Competition and its Precautions to Avoid Confusion and Passing Off.

The District Court found, and the finding is fully supported by the evidence, that the petitioner is competing fairly with the respondent and has succeeded in its efforts to distinguish its product from respondent's "Shredded Wheat" (R. 1, pp. 204, 221, 225-228). As the District Court said in its opinion (R. 1, p. 227): "Plaintiff is complaining, not of unfair competition but of effective competition."

A. Petitioner's Cartons.

The District Court found (R. 1, pp. 204, 225-226) that "Defendant's cartons bear no resemblance to plaintiff's and cannot be mistaken for them."* Examination of the reproductions of both cartons, which appear in the opinion of the District Court at R. 1, pp. 205-219, supports this conclusion beyond question. The uncontradicted depositions of hundreds of witnesses from all parts of the country bear testimony that there could be and has been no confusion between them.†

The carton used by petitioner for its shredded wheat biscuit is similar in appearance to the billions of cartons in which all but one of its other cereal products have been sold;‡ it is printed in the familiar Kellogg red and green colors and in the typical Kellogg style of lettering, with the word "Kellogg's" in bold red script dominating the entire package.§ Consumers immediately recognize it as one of the Kellogg family.¶

Respondent packed 12 biscuits in its carton and printed this fact on the outside of its package. Petitioner, on the other hand, sold 15 of its smaller biscuits to the package

* Indeed in its main brief before the Circuit Court of Appeals, the respondent stated that this is "not a carton case" (Appellant's Brief, p. 105).

† See, *e. g.*, the testimony of respondent's own witnesses in the first of the three volumes of depositions in the record, at pp. 334, 349, 350, 357, 360, 361, 366, 372, 385, 386, 401, 404, 414, 423, 425, 427, 428, 430, 439, 445, 446, 452, 471, 482, 483, 485, 488, 492, 493, 506, 512, 514, 515, 520, 534, 613, 614, 635, 610, 642, 644, 649, 654, 656.

‡ The only exception is one bran flake packed in a brown and yellowish package for purposes of distinction (R. 2, p. 1136).

§ In addition to its distinctive coloring, lettering and wording, petitioner's carton is taller and thinner than respondent's.

¶ See, *e. g.*, R. 1, pp. 349, 350, 357, 404, 414, 427, 488, 668; R. 2, pp. 707, 875, 1259; R. 3, p. 1429.

and its cartons contained the words "15 biscuits" printed prominently in large script (R. 1, pp. 204, 211, 215). Petitioner also placed advertising matter on many of its cartons, explaining the comparative merits of its product. Moreover, petitioner tinted the inside of its carton green—a thing never before done in cereal cartons—and developed a new type of separator for packing its biscuit (R. 2, p. 1001).

Another distinctive feature of some of the Kellogg cartons was the use of a cellophane window (see, *e. g.*, P. Exs. 147, 176, 177). This window is made by cutting out a section of the front of the package and pasting a piece of cellophane over the aperture. The use of this window does not detract from the distinctive appearance of the carton as one of the Kellogg group of cereals. It has proved to be a very attractive sales feature (R. 2, pp. 1249, 1262, 1306, 1311, 1319).

Respondent has criticized the use of the cellophane window because it is placed in the front of petitioner's cartons, where the ends of the biscuit are seen, rather than at the side of the carton where a side view of the biscuits would be obtained. Display of the ends of the biscuits does not, of course, reveal the difference in length between the two biscuits. The reason for the position of the window is that the cartons are placed on the grocers' shelves with only the face pointing towards the customer. If, therefore, the cellophane window is to receive notice, it must be on the face of the package rather than on the side (R. 2, p. 1000). Since the packages containing the window are entirely dissimilar from respondent's cartons and cannot be mistaken for them, objection to the window comes to the essence of respondent's complaint, *i. e.* that petitioner is selling a competing shredded wheat biscuit as its own product and is revealing to the public what it has for sale.

The cellophane window serves another useful purpose. From 1930 until after the first decision of the Circuit

Court of Appeals, most of petitioner's biscuits were sold under the name "Kellogg's Whole Wheat Biscuit" rather than under the name "Kellogg's Shredded Whole Wheat Biscuit". The undisputed testimony of more than twenty witnesses from different sections of the country demonstrates that the words "whole wheat biscuit" could connote any one of a dozen different products; they do not signify whether the product thus designated is a cookie, a cracker or a cereal, and they furnish no indication of the form or shape of the product or whether it is composed of shredded wheat or made from pure flour (R. 1, pp. 329, 425, 451, 456, 462, 501, 511, 518, 527, 531, 544, 617, 637, 666; R. 2, pp. 709, 752, 825, 833; R. 3, pp. 1575, 1743, 1797). All of these witnesses agreed, and there was no testimony to the contrary, that a carton containing only the name "Kellogg's Whole Wheat Biscuit" would be a blind package and therefore extremely difficult to sell.

The difficulty thus encountered was obviated in part by use of the cellophane window which permits the consumers to see exactly what product is contained in the package. In even greater measure, however, the difficulty was met by placing upon the face of cartons having no such window a pictorial representation of two of petitioner's biscuits in a bowl of cream. This advertising device is very commonly employed in the sale of food products (R. 1, pp. 358, 360, 362, 371, 617, 626, 627, 668, 671; R. 2, pp. 710, 1001, 1150), and is used by the respondent itself on a large proportion of its various food cartons (R. 1, p. 626).

Comparison of the pictorial representation used by petitioner (R. 1, pp. 215, 217) with that used by respondent (R. 1, p. 207), reveals no similarity between the two illustrations which would be likely to confuse or mislead, particularly when displayed on a carton such as petitioner's which prominently carries petitioner's name as the manufacturer. The picture on petitioner's carton was designed to emphasize the fact that two of its small size biscuits

exactly fit the ordinary cereal bowl, as compared with respondent's larger biscuit which must be crumbled in order to fit such a bowl (R. 2, pp. 999-1000).

Respondent's criticism of petitioner's use of the bowl picture is significant when considered in conjunction with its other assertions. Respondent claims the right to prevent petitioner from describing its product verbally by use of the only name by which the article is known to the public and also from describing it visually by showing it to the consumer either directly through the cellophane window or indirectly through pictorial representation. It would thus prevent the petitioner from revealing the nature of its product either by name, pictorial representation or physical exhibit. In other words, respondent seeks to enjoin the sale of petitioner's competing product as a competing product, no matter how fairly sold—and this under the guise of protecting its own reputation as a manufacturer.

B. The Form of the Biscuits.

Petitioner has not only marketed its biscuit in distinctive cartons, but has employed every commercially practicable means to make its individual biscuits of distinctive appearance. That it has succeeded is readily apparent from physical examination of the two biscuits. There is no evidence that any purchaser accepted petitioner's biscuit believing that he was receiving respondent's product. To the contrary, scores of witnesses called by both parties were asked whether they could distinguish between the two products, and, without exception, their answers were all in the affirmative.*

* See, e. g., R. 1, pp. 302, 391, 405, 426, 428, 431, 439, 446, 465, 467, 505, 521, 530, 554, 629-630, 635, 642, 645-646, 648, 651-652, 656, 682, 685; R. 2, pp. 706, 744, 788, 803, 819, 841, 845, 855, 862, 886, 889-890, 910, 965-966, 1037, 1181-1182, 1247, 1353, 1368-1369; R. 3, pp. 1400, 1429, 1447, 1468, 1469, 1613, 1711, 1742, 1751, 1788, 1794, 1810, 1928.

The principal point of distinction between the two biscuits lies in their size, respondent's being less than two-thirds the size of petitioner's (R. 1, p. 203). Petitioner's biscuit is rounded at the bottom and on top and is toasted on both sides, whereas respondent's biscuit has a flattened bottom and is toasted only on top (R. 2, pp. 997, 1051). Furthermore, petitioner's biscuit is made of materially finer shreds.

Respondent in effect conceded the distinctiveness of petitioner's biscuit when in June, 1932, after petitioner's biscuit had been marketed for five years, respondent began selling to the restaurant trade a shredded wheat biscuit of the same size as petitioner's, put up in individual two-biscuit cartons. This small sized biscuit was produced by respondent for the express purpose of meeting petitioner's competition (R. 4, p. 169).

Such similarity as there is between respondent's and petitioner's biscuits results from the fact that both are made of shredded wheat, are oblong in shape and are puffed in the center, giving them the characteristic pillow-shaped form. The puffing of the biscuit is caused by the baking process and is inherent in the nature of its manufacture. When the shreds of wheat emanate from the shredding rolls, they are piled upon each other in a trough and are then cut into biscuits by knives which shear or pinch together the shreds at the edges. When heat is applied during the baking process, the center of the biscuit puffs out but the edges, being pressed together, cannot puff. The pillow-shaped form of biscuit inevitably results (see *Perky* patents cited at p. 8, *supra*; R. 1, p. 291).

Petitioner experimented for two or three years in an attempt distinctively to mark its biscuits (R. 2, pp. 1122, 1139). These efforts included wrapping the biscuit with a band carrying the name Kellogg, tagging the biscuit with a Kellogg tag, and placing the biscuit in a glassiné envelope. Attempt was also made to distinguish the biscuit by inserting a band of rice in its center, by painting it with a green

coloring matter, by placing red coloring matter on the bottom of the biscuit, and by branding the letter "K" on the top of the biscuit (R. 2, pp. 1122-1126, 1139-1141). None of these experiments was successful. Either the cost was commercially prohibitive or the biscuit was so weakened or deformed or its appearance so objectionable as to make it completely unmarketable (R. 2, pp. 1122-1126, 1139-1141, 1162-1163).

The conclusion reached by petitioner that there is no commercially practicable method to mark or brand the individual biscuit is in accord with the experience of The Ross Food Company in attempting to comply with the decree of the Circuit Court of Appeals in the *Humphrey Cornell* case, as outlined in the case at bar by Andrew Ross, president of The Ross Food Company (R. 3, pp. 1995-1996). As previously stated (p. 19; *supra*), the District Court found that "the proof fully confirms the testimony of Andrew Ross that the biscuit itself can not be branded or marked" and held that if the proof in this case as to marking had been before the Court of Appeals in the *Ross* case, "the opinion of Judge Ward would doubtless have been the opinion of the court" (R. 1, p. 221). This finding was undisturbed in the court below.

Notwithstanding the facts found or established by the undisputed evidence that only one out of 2,000 of petitioner's biscuits reaches the ultimate consumer outside of petitioner's distinctive cartons, that petitioner's biscuit is distinctive and has not been confused with respondent's, that respondent has imitated the distinctive size of petitioner's biscuit, and that all biscuits made with the machines disclosed in the Perky patents must necessarily be in a pillow-shaped form, respondent yet insists that petitioner, if it is to engage in this business at all, should make its shredded wheat biscuits in the form of doughnuts, cones or in other irregular shapes.

The record clearly demonstrates that none of the irregular-shaped biscuits suggested by respondent would be com-

in any book on dietetics, for instance, or in a book by a physician; but they mentioned Shredded Wheat as if it were a commonly accepted well-known name of a food. For instance, Walter Page, in his books giving his experiences during the World War, mentioned Shredded Wheat in one of them. He said that, if his shredded wheat lasted, he would get through all right. There were references like that in a great many books, where they would not think of mentioning any other proprietary article." (*Italics in original.*)

Publicity given to "Triscuits", a cracker produced by respondent and made of compressed shredded wheat, is equally illuminating. Respondent's advertisements tell the public that its Triscuit is "whole wheat steam-cooked, shredded, pressed into a wafer and baked"; it is described as "the shredded wheat toast", "the shredded wheat wafer" and "the shredded whole wheat cracker" (P. Exs. 87-112). Obviously respondent's use of the words "shredded wheat" to describe the composition of its cracker is totally inconsistent with its present assertion that "shredded wheat" is a non-descriptive trade-mark for its biscuit.

(3) Respondent's Efforts to Perpetuate Its Monopoly by Litigation.

The District Court found that when its patents had expired the respondent attempted to perpetuate its monopoly by means of trade-marks and suits against its competitors (R. 1, p. 194). We have already shown its trade-mark practice (pp. 9-12, *supra*), including the successful litigation of Williams establishing that respondent had no exclusive trade-mark rights in the descriptive words "shredded whole wheat".

The Ross Food Company was the first to enter the field after the expiration of the patent monopoly. The biscuits produced by this company were identical in size and appearance with those made by respondent. Its cartons were, however, entirely dissimilar in shape and color.

Printed upon the face of its package was an exact reproduction of the biscuit with the words "Ross's Whole Wheat Biscuit". No individual cartons were sold for the restaurant trade (R. 1, p. 199). Consumers in restaurants therefore had no means of distinguishing Ross's product from respondent's when served outside the carton.

Respondent brought suit charging unfair competition and seeking to enjoin Ross from making the biscuits in their characteristic form. The Circuit Court of Appeals for the Second Circuit (*Shredded Wheat Co. v. Humphrey Cornell Co.*, 250 Fed. 960) denied the respondent any relief with respect to biscuits reaching the ultimate purchaser in package form, on the ground that the Ross cartons, even though containing a picture of the Ross biscuit which was identical with respondent's, were so dissimilar from the respondent's cartons as to obviate any possibility that its goods could be sold for those of the respondent.

A majority of the court directed that all biscuits reaching the last purchaser outside of their cartons should be marked with some symbol impressed in their substance or have fastened upon them a tag or band stating that they were made by the defendant, but provided that (p. 967):

"* * * the defendant at the end of six months may apply to the District Court to be relieved of the second requirement, upon showing that after a bona fide trial of all possible expedients it cannot comply with that provision, except at an expense which would make impossible any continued competition in the business of selling biscuits outside the cartons with any assurance of reasonable profit."

Judge Ward concurred in the denial of relief with respect to biscuits sold in the carton but dissented from the decision insofar as it required marking of biscuits sold to customers outside the carton. He stated (pp. 967-968):

"The complainant's claim to be protected in any secondary meaning its goods have acquired can go no

further than its injury, and that is only so far as the public buys or is likely to buy the defendant's product supposing that it is the complainant's. The retail dealer and the purchaser of cartons are not misled. Guests in boarding houses and hotels on the American plan take what they are given. It is only a very small part of the public, namely, those who patronize lunch rooms, restaurants, or hotels on the European plan, and who order biscuit which they see on the counters, or on plates or saucers, supposing they are the complainant's, when they are really the defendant's manufacture. This seems to me an insufficient reason for giving the complainant a monopoly for all time of what apparently is the best size of this ordinary commercial article, unless the defendant and other manufacturers adopt distinguishing marks which either increase the cost of manufacture or deform and weaken the product.

Moreover, I think that the form and size of the biscuit as always made by the complainant are functional, and that imitation of these features is no evidence of unfair competition. The form evidently tends to strengthen a product made out of such fragile material and the size is apparently the best fitted for use as a breakfast food on a saucer. I think the bill should be dismissed."

In the case at bar, petitioner, in order to distinguish its product from respondent's, has sold smaller biscuits and for the restaurant trade has put up two of its smaller biscuits in individual cartons distinctively marked. The evidence to be reviewed later (pp. 26-28, *infra*) clearly establishes that it is commercially impracticable to make shredded wheat biscuits in any other than the pillow-shaped form or to distinguish them in any other manner than petitioner has done. The District Court found, and the finding was not disputed in the court below, that the biscuits cannot be separately branded or marked. In this connection the District Court said (R. 1, p. 221):

"* * * The small or individual cartons with the same distinctive markings remove all confusion in

the lunch room, restaurant and retail service. By making its biscuit substantially smaller than plaintiff's, and using individual cartons, defendant has met the requirements of the decree of the Circuit Court of Appeals for the Second Circuit in the *Ross* case. In this case the proof fully confirms the testimony of Andrew Ross that the biscuit itself cannot be branded or marked. With each biscuit distinctively marked by carton and by size, there can be no excuse for confusion or deception. Had the proof in this case as to marking been before the Court of Appeals in the *Ross* case the opinion of Judge Ward would doubtless have been the opinion of the court."

Ross' capital was exhausted by the *Humphrey Cornell* litigation and soon after the decision of the Circuit Court of Appeals his company was forced into bankruptcy (R. 3, p. 1996).

Petitioner was the next to challenge respondent's pretensions to monopoly (R. 1, p. 203). Petitioner is the largest manufacturer of cereals in the country (*id.*). Since 1905, it has spent \$50,000,000. in advertising its products and the name "Kellogg's" has appeared in every advertisement; it sells approximately one and one-half billion cartons of cereal every year and the name "Kellogg's" appears prominently on each carton (*id.*). For years, therefore, as the District Court found, "Kellogg's" has been a distinctive household name, meaning a particular maker of cereal foods (*id.*).

Beginning in 1912, petitioner manufactured a shredded biscuit marketed under the name "Kellogg's Toasted Wheat Biscuit" (*id.*). This biscuit was made from a dough rather than directly from the whole wheat berries and it contained extrinsic flavoring matter (R. 2, pp. 1046-1047; R. 3, p. 1999). When use of wheat was restricted during the war, other grains were added which ruined its palatability. Its manufacture ceased in 1919 (R. 2, p. 1047).

In 1922 petitioner brought out a small shredded wheat biscuit of the same size as its present biscuit which was

mercially feasible to produce. Each of them is objectionable either because its shape would prevent proper baking or otherwise make the biscuit of inferior quality, or because the biscuit would be too costly to produce or too fragile or too irregular to admit of proper packing (R. 2, pp. 1113-1130, 1141-1148, 1162). For the convenience of the court, a detailed analysis of the objections to each of the suggested irregular-shaped biscuits is given in Appendix A hereto (pp. 108-112, *infra*).

C. Petitioner's Advertising and Sales Methods.

One who decides to trade on the good will of another does not deliberately dispel the possibility of deceiving purchasers by large expenditures for advertising or by distinctively dressing his goods. The fact is that petitioner has extensively advertised its shredded wheat biscuit. (D. Exs. 129-129-E; R. 2, p. 1020). The purpose and effect of this advertising has been to identify petitioner's biscuits as its own and to emphasize their advantages over respondent's biscuits. Indeed, petitioner's whole sales policy was expressly designed to establish as quickly as possible the differences between Kellogg's shredded wheat biscuit and respondent's competing product (R. 2, pp. 997-998).

The manner in which this policy was carried out is revealed by the evidence. Petitioner's advertisements, all of which contain the Kellogg name in prominent script as well as an illustration of petitioner's distinctive carton, emphasize that Kellogg's is a "new" biscuit, that it is in a "new convenient size" so that "two just fit the cereal bowl", that it is toasted "on both top and bottom—not just on one side", making it "crisper than ever" and that there are "15 to the package instead of the usual dozen" (R. 2, pp. 1007-1013).

The attention of the Court is respectfully directed to the advertisements appearing in the first volume of the record at pages 111 to 159, which respondent introduced in evi-

dence. The newspaper advertisements are run under such headlines as "Many Features for New Shredded Biscuit—Kellogg's Whole Wheat Biscuit Sets New Standard for this Type of Cereal"; "New Shredded Biscuit More Economical—Just One of the Improvements Developed for Kellogg's Whole Wheat Biscuits", "New Shredded Biscuit Toasted on Both Sides—Extra Crispness Just One of Many Improvements Developed for Kellogg's Whole Wheat Biscuit" and "New Shredded Biscuits Offer Many Advantages". The copy proceeds to explain the various points of distinction above alluded to. Almost all of the articles end by stating: "You can identify these new biscuits by the name, Kellogg's, and the red-and-green package. Made by Kellogg in Battle Creek" (R. 1, pp. 111-137; R. 2, p. 1013).

Other types of advertisements are run under banner headlines reading "A New Taste Thrill", "Here's a New Treat", "Just compare these improved biscuit", or "Just try this new Whole Wheat Biscuit (Shredded)—Different in size * * * different in crispness * * * different in flavor!" (R. 1, pp. 138-147; R. 2, p. 1011). Typical of the reading matter is: "One of the first things to be noticed about the new improved Kellogg's Whole Wheat Biscuit is the unusually delightful flavor and crispness. The Kellogg Company uses a special process of pressure cooking. This takes in the original flavor. Every shred is thoroughly cooked and therefore easier to digest. The biscuit are then toasted a light golden brown on both top and bottom. This makes them crisp~~er~~ and crunchier. Economy has not been overlooked either. Instead of the usual dozen, you get fifteen biscuit to the package. Incidentally, the biscuit are new, convenient size, two just fit the cereal bowl. * * * Local grocers have this new shredded biscuit. It may be identified by the familiar red and green package. Made by Kellogg in Battle Creek" (R. 2, pp. 1012-1013).

Many other similar advertisements are contained in the record (D. Exs. 129-129-E), but the foregoing quotations

suffice to show their general tenor. The respondent has been unable to point to a single instance of fraudulent or deceptive advertising by the petitioner, and the fact is that there has been none.

The same care to distinguish its product which is apparent in petitioner's advertisements has likewise characterized its sales methods. Petitioner called as witnesses its district sales managers from various sections of the country who testified that petitioner's biscuit has been introduced in the market by the same methods as all other Kellogg products, through window and store displays, circulars, sampling, door to door canvassing and Saturday store demonstrations. In the use of all these methods, the same emphasis has been placed on the name "Kellogg's" and on the distinctive features of petitioner's biscuit as in the case of petitioner's advertisements.

For example, the most frequently used window display was a large jumbo package of Kellogg's biscuit, from which six ribbons ran out to legend cards reading (R. 3, pp. 1405-1406):

- "1. Certified for food value by Medical Arts Laboratory, Philadelphia, Pennsylvania.
2. Convenient size. Fits the bowl. Kellogg's.
3. Six vitamins: A, B, C, D, E and G are present when served with milk and cream. Kellogg's.
4. Double toasted, top and bottom.
5. Finer shreds and finer flavor.
6. You get fifteen biscuit in each carton."

Counter displays, placards and circulars contain similar copy.

Extensive sampling was undertaken, always in the distinctive individual Kellogg cartons, and a door to door canvassing campaign was conducted in several markets, housewives being offered one package of biscuits free upon the purchase of another package. In doing such can-

vassing, the meritorious points of distinction between petitioner's product and respondent's were always stressed. The same is true of the Saturday store sales when a package of "Whole Wheat Biscuit" was offered free with every purchase of three other Kellogg cereals. In addition, innumerable store demonstrations were given to point out petitioner's principal selling points—the smaller biscuit, the double toasting, the finer shred and the larger package. These and other promotional devices employed, as described in the testimony of petitioner's sales managers, make abundantly clear that no stone was left unturned to introduce petitioner's biscuit to the market as a new and distinctive product of its own manufacture (R. 2, pp. 1094-1103, 1183-1194; R. 3, pp. 1403-1416, 1531-1544, 1554-1562, 1712-1731, 1862-1880, 1953-1966).

As a result of petitioner's advertising and sales promotional campaign, petitioner's biscuit is carried by approximately 120,000 of the 300,000 retail grocery stores in the United States (R. 2, p. 1030), and there has been created a large consumer demand for its particular biscuit as distinguished from all other competing products. In many sections of the country, petitioner's biscuit greatly outsells respondent's and its sales have been particularly heavy in the newer type self-service stores, where consumers select their own merchandise from the grocery shelves (see, *e. g.*, R. 2, pp. 1290, 1309). The effect of the decree below is to prevent these consumers from receiving the distinctive product which they have manifested a desire to purchase.

D. Sale of Biscuits to the Restaurant Trade.

At the time of the *Humphrey Cornell* decision, the use of the individual two-biscuit cartons was unknown. The product was displayed in restaurants in large glass globes (R. 1, p. 454). Since that time, however, due to strenuous efforts by both respondent and petitioner, practically all restaurants and lunch rooms serve the biscuits only in

such individual cartons (R. 1, p. 611; R. 3, pp. 1413, 1558, 1713). The District Court found and the evidence demonstrates that only 2½% of petitioner's biscuits were sold to the restaurant trade, and that of this 2½%, only 2%, or one out of every 2,000 biscuits, were sold outside the carton (see note p. 6, *supra*; R. 1, pp. 204, 611; R. 2, pp. 1075, 1184, 1230, 1243; R. 3, pp. 1413, 1532, 1713, 1954).

The use of these individual cartons is advantageous for the producer because it serves as an advertisement of its goods; it is advantageous for the restaurant owner because it obviates the danger that the remaining biscuits in a large opened carton may become stale. It is advantageous to the consumer because service in the carton preserves the original sanitary condition of the biscuits and precludes the possibility of confusion or ignorance as to their source. It is only in a very few restaurants and lunch rooms and in those few hotels which have a policy against serving food in cartons, that petitioner's product ever reaches the final purchaser apart from its package (*id.*).

Due to petitioner's established policy aggressively to push the sale of its individual cartons, as well as to the distinctive size and shape of petitioner's biscuit, every commercially possible safeguard against confusion in the restaurant trade has been taken and the requirements of the *Humphrey Cornell* decision have been met.*

E. Dealer Advertising of Petitioner's Biscuit.

Petitioner's sales campaign has been supplemented by dealer advertising of its product. Petitioner makes no advertising allowance to its dealers and has no control

* Petitioner has also attempted to stress the distinctiveness of its product to the restaurant trade by use of Kellogg displays and menu slips listing its product as "Kellogg's Whole Wheat Biscuit" (R. 2, p. 1074).

over the copy which they use;* it does, however, occasionally supply them with a cut of its carton (see, e. g., R. 2, p. 1193). Most of the dealer advertisements describe petitioner's product by its full name "Kellogg's Whole Wheat Biscuit" (R. 2, pp. 1016-1017; D. Exs. 134-137). Sometimes, however, the product is described in such dealer advertisements simply as "Kellogg's Shredded Wheat" (*id.*; R. 1, pp. 163-189). Such use is illuminating, since it is a clear indication that the dealer regards "shredded wheat", not as a distinctive trade-name but as the generic name of the article, like oatmeal or condensed milk.**

F. Governmental and Institutional Sales of Petitioner's Biscuit.

Petitioner has developed a substantial governmental and institutional business. This business is conducted through invitations to bid sent out by the prospective institutional purchaser, specifying the nature of the article desired; the producer or one of its wholesalers or jobbers then submits its price for the commodity. The form in which such invitations to bid generally appear is highly significant. Typical is the Department of Interior specification appearing at R. 2, p. 1042:

"56-G-590-1072. Case of biscuits, Whole Wheat, Shredded, to meet Federal Specification No. NC-191, as described; E2H thereof. 24 12½ oz. packages and 36 12 oz. packages to type 1 or 2 carton; samples not desired. State price per pound."

It will be noted that this specification covers both Kellogg's product, which is packed 24 12½ oz. cartons to the case, and respondent's product which is packed 36 12 oz. packages to the case. When such bids are received, peti-

* R. 2, p. 1017; R. 3, pp. 1537, 1558, 1717, 1868, 1955.

** In one instance a dealer mistakenly advertised petitioner's product as "Kellogg's Shredded Wheat" with a cut of respondent's package (R. 4, p. 125). Surely petitioner is not responsible for any such stupid and obviously unintentional blunder.

tioner always fills in the name of its product "Kellogg's Whole Wheat Biscuit" (R. 2, pp. 1043, 1082). In the case of the invitation to bid quoted above, respondent filled in as the name of its product "Original Shredded Wheat" (R. 2, p. 1043).*

Sometimes the institutional specification calls for "Wheat, shredded" or "Shredded Wheat", which the specification generally requires "shall be processed with or without added flavoring, drawn into fine shreds, formed and baked in oblong biscuits of uniform size and shape" (see, e. g., R. 2, pp. 1044, 1060, 1064, 1068; R. 3, pp. 1536, 1866-1867, 1964). Such bids, many of which appear in the record, are a clear recognition by the governmental and institutional authorities that the words "shredded wheat" are both the generic name of the article and descriptive of its properties. Petitioner submits bids on such specifications always giving the full name of its product and generally submitting samples contained in the distinctive Kellogg cartons (R. 2, pp. 1072-1073).**

* Occasionally bids are received by both respondent and petitioner the specifications of which, because of the weight of package and the number of packages to the case, apply only to the other's product. The general practice followed by both parties in such cases was to cross out that portion of the specification with which their product failed to comply and to type in the appropriate specification together with the trade-name of the product (R. 2, pp. 1085-1089).

** In one instance appearing in the record, "Shredded Wheat" was called for under specifications covering both respondent's and petitioner's product and Price Brothers, a large wholesale grocer in Philadelphia, submitted a bid without specifying which brand was to be supplied. Its bid was accepted in the form submitted, enabling it to supply either product. Petitioner's product was supplied and was accepted (R. 2, p. 1084). Respondent's criticism of this is entirely unjustified. It is obvious from the specifications of the invitation to bid that the words "shredded wheat" were used generically, in the same manner in which condensed milk might be ordered.

Kellogg's
**WHOLE WHEAT
BISCUIT**

DOUBLE TOASTED - A DELICIOUS
CEREAL MADE OF WHOLE WHEAT

THE COMPANY HAS THE REGISTRATION

H. H. Kellogg

NET WEIGHT 1 1/2 OUNCES

MADE BY KELLOGG IN BATTLE CREEK, MICH. U. S. A.

In not a single instance where a bid for petitioner's goods was accepted were they rejected as not being the article ordered (R. 2, pp. 1072-1073; R. 3, pp. 1537, 1716, 1960). Clearly, respondent's objection to petitioner's sales to institutions is based, not on any passing off of petitioner's goods for its own, but on the fact that petitioner has secured a large portion of the institutional shredded wheat trade of which respondent previously had a monopoly.

G. Petitioner's Use of the Phrase "The original has this signature, W. K. Kellogg".

On petitioner's corn flakes and other packages, petitioner has long used the phrase "The original has this signature, W. K. Kellogg." At the time of the trial, this legend appeared in minute type upon some of petitioner's individual two-biscuit Whole Wheat Biscuit cartons and in some of its window advertising, but not on its large fifteen-biscuit cartons which constitute 97½% of its trade. No mention of its use was made in the complaint, no proof was taken as to the extent of its use, and there is no evidence in the record that any jobber, restaurant owner or consumer ever noticed it, much less was confused or deceived by it. The legend has long since disappeared and the court below, although mentioning the phrase in its opinion on reargument, did not direct the issuance of an injunction against it. Of course, whatever the practice may have been, it could not justify the injunction directed by the court below, which prevents all sales no matter how fairly the goods may be represented as goods of petitioner.

A full size reproduction of one of the two-biscuit cartons containing the legend appears on the opposite page and is an ocular demonstration of the triviality of respondent's criticism.

**(5) The Record is Completely Devoid of Any
Evidence of Passing Off or Deception
of the Public.**

One after another, consumers, retail grocers, wholesale grocers, restaurant owners and sales managers, respondent's and petitioner's witnesses alike, testified to instant recognition from the cartons and also from the biscuits themselves when removed from the cartons that petitioner's product was not susceptible of confusion with respondent's product. These witnesses, relating their own experiences, were the actors in a dramatic demonstration that, as the District Court found (R. 1, pp. 226, 227), there was no confusion, passing off of goods or deception of customers, or any possibility thereof. References to the testimony of some 150 of these witnesses are given in the footnote.* There is no evidence in contradiction.

A few excerpts from this testimony, typical of scores of others equally cogent, appear in Appendix B (pp. 112-116, *infra*).

An illuminating light is cast on the entire case by analysis of the proof upon which respondent relied in its brief in the court below to show unfair competition on

* R. 1, 302, 334, 349, 350, 357, 360, 361, 366, 372, 386, 391, 401, 404, 414, 419, 423, 425, 427, 428, 430-431, 439, 445, 446, 452, 465, 467, 471, 482, 483, 484-485, 488, 492-493, 505-506, 512, 514-515, 520, 521, 530, 534, 554, 614, 635, 636, 640, 641-642, 644, 645, 648-649, 654, 656, 695; R. 2, 706, 728, 733, 744, 788-789, 800, 803-804, 819, 832, 845, 855, 862, 873, 875, 882-883, 885-886, 890, 900, 902-903, 905, 909-910, 965, 1181-1182, 1197, 1200, 1213, 1221, 1243, 1247, 1259, 1266, 1303, 1310, 1314, 1343, 1353, 1364, 1368; R. 3, 1388, 1400, 1401, 1429, 1447, 1468, 1469, 1486, 1489, 1490, 1492, 1501, 1504, 1517, 1522, 1533, 1544, 1548, 1562, 1571, 1574, 1615, 1619, 1645, 1653, 1661, 1668, 1686, 1711, 1717, 1751, 1760, 1773, 1775, 1788, 1792, 1800, 1806, 1808, 1810, 1816, 1823, 1829, 1835-1836, 1842, 1848, 1853, 1857, 1860, 1881, 1894, 1895, 1900, 1914, 1917, 1928, 1930, 1937, 1941, 1972.

the part of petitioner. Some twenty-five pages of its brief are prefaced by the heading "Actual Instances of Confusion and Passing Off of Defendant's Product". Not one actual instance of passing off was shown.

The testimony of most of the witnesses upon which respondent relied* was solely to the effect that when a consumer asked for shredded wheat, he was or could be offered a package of Kellogg's Whole Wheat Biscuit, that sometimes grocers receiving an order for shredded wheat did not know whether respondent's or petitioner's product was desired, and that Kellogg's biscuit was sometimes offered to consumers as a shredded wheat product.

None of these witnesses testified that any consumer had ever received Kellogg's biscuit believing that it was respondent's and most of them expressly denied that there had been any such passing off. The testimony of the other witnesses referred to by respondent is of the same general character and is analyzed in Appendix C, pages 117-121, *infra*.

Respondent's reliance on this testimony reveals that its fundamental complaint is that when a consumer asks for shredded wheat there are now two products which will supply his demand instead of one, as was the case when respondent had its monopoly. Its complaint is not that consumers wanting respondent's product will get petitioner's thinking that it is respondent's, but that a con-

* R. 1, Sanborn, p. 358, Barrett, p. 360, Doyle, p. 387, Daggett, p. 397, Bradbury, p. 407, Goodman, p. 429, Piolet, p. 440, Greene, p. 469, Michalak, p. 498, Holmer, p. 503, Kleeman, p. 527, Leonard, p. 636, Bohnet, p. 644; R. 2, Beck, p. 669, Rickard, p. 821, Mears, p. 1194, Brun, p. 1203, Schmidt, p. 1210, Dubac, p. 1231, Robbins, p. 1242, Lee, p. 1252, Fierstone, p. 1256, Creighton, p. 1302, Roselle, p. 1352, Williams, p. 1359, Inman, p. 1361, Loyerin, p. 1379; R. 3, Dummer, p. 1429, Miller, p. 1451, Molitor, p. 1496, Twentymann, p. 1507, DeWolf, p. 1515, North, p. 1524, Bush, p. 1544, Mueller, p. 1579, Lippert, p. 1582, Schwager, p. 1587, McDowell, p. 1596, Stephens, p. 1618, King, p. 1625, Harvey, p. 1669, Dietrich, p. 1677.

sumer desiring the article shredded wheat may now have his want satisfied by a product other than that made by respondent.

If a consumer asked simply for "shredded wheat", having in mind respondent's brand of shredded wheat, and were none the less offered Kellogg's biscuit, this would simply be the result of respondent's use during its long monopoly of the generic name of the article as the only name of its ~~biscuit~~ without qualifying prefix or suffix and would in no sense be deceptive. Undoubtedly such situations may occur so long as there is any competition in the sale of the article and so long as respondent persists in using "Shredded Wheat" as the only name of its shredded wheat product. The controlling fact in this case, however, is that petitioner has so far succeeded in distinguishing its goods from those of the respondent that, despite respondent's use of the generic name of the article as the only name of its biscuit, no consumer has ever taken petitioner's product believing that he was receiving respondent's.

The record, therefore, shows no deception of the public, but open and honest competition fairly and actively waged. Quite obviously the decree here under review does not protect respondent's good will by enjoining unfair competition. To the contrary without any justification because of any wrong of the petitioner or any privilege of the respondent, this decree perpetuates a statutory grant of monopoly in a standard food product long after the expiration of the grant and in derogation of the conditions imposed by Congress.

(6) Decisions Below.

The District Court, after fully reciting the facts and making the findings above referred to (pp. 5-6, *supra*), posed the issue raised by these facts and stated the controlling principle of law as follows (R. 1, p. 223):

"In this case plaintiff claims in perpetuity the monopolistic right to the descriptive word 'shredded'

and a monopolistic right in the shape or form of the biscuit. Any right of plaintiff must be based upon the wrong of defendant. Relief must be based upon confusion or palming off, otherwise relief should be denied. Originally patents covered every phase of plaintiff's business. There were product, process and design patents which secured plaintiff a perfect monopoly of the business. These patents have expired and *the case falls into the class of expired patent cases and is controlled by the Singer case.*"* (Italics in original.)

The District Court, finding that no deception or passing off had occurred, concluded that the bill must be dismissed.

In its first opinion (R. 3-A, p. 2069), the Circuit Court of Appeals approved as "full and satisfactory" the discussion by the District Court of all the issues involved and held that "on the expiration of plaintiff's patent No. 548,086, the exclusive right to make and sell the food product therein described ended. And on the expiration of plaintiff's design patent No. 24,688, the exclusive right to the designed biscuit also ceased." The court then stated that upon the expiration of these patents, during the life of which the product had become known to the trade and consumers by the descriptive words "shredded wheat" (R. 3-A, p. 2071):

"* * * the public could use the patented process both in making the patented product and in making it in the form described in the design patent and in calling it 'shredded', provided in doing so it avoided simulating the product so as to prevent confusion and lead buyers into the belief they were buying plaintiff's product. This, in the judgment of the court below and of this court, the defendant has done in compliance with the requirements of *Singer v. June*, 163 U. S. 169, for the product of the defendant has at all times, in its cartons and otherwise, been marked with its own name, in words and colors (green and red)

* *Singer Manufacturing Co. v. June Manufacturing Co.*, 163 U. S. 169.

of such distinctive character, that buyers thereof knew they were getting defendant's product and were not buying that of the plaintiff. Moreover, it is clear that the word 'shredded' was a descriptive word, aptly describing the process to which wheat grains were subject by any one using shredding or mangling in processing wheat grains. * * *

The court added that the word "shredded" was open to all shredders of wheat provided that they so used it as not to mislead and confuse the public (R. 3-A, p. 2071). With reference to the question of confusion, the court expressly stated, "Now, that no confusion, misleading or deceit is shown in this case, is clear" (*id.*).

After reargument, the court below did not qualify or retract its approval of the findings of fact of the District Court, except that it did withdraw its conclusion that the words "shredded wheat" and "shredded wheat biscuit" were descriptive. The court stated that the process of manufacture could not properly be described as shredding, since the wheat was not cut or torn into small pieces but was rather forced through grooved rollers. Based upon the premises that shredding means only tearing or cutting and that descriptive words are only such as describe the process of manufacture rather than the product itself, the court held that the words "shredded wheat" were at most suggestive.

The court also changed its views regarding the design patent and, because of its invalidity, held that the case stood in equity as if there had been no patent (R. 3-A, pp. 2088, 2092). It then held that the words "shredded wheat", whether descriptive or not, had by long usage following expiration of the patents acquired a "secondary meaning" and that respondent's advertising expenditures had made "shredded wheat" a household word and the form of its biscuit known throughout the world as its product. Because of this, the court directed that an injunction issue "In order to secure the property of the plaintiff in the name and form of its product" (R. 3-A, p. 2092).

In its opinion the court used the term "secondary meaning" in the exact converse of its normal connotation. A descriptive name is generally said to have acquired a secondary meaning when it signifies, not the article, but the maker of the article. The court below, however, found that the name shredded wheat has acquired a secondary meaning because "*it has come to stand for the article itself*" (R. 3-A, pp. 2087, 2089).*

When the case came up to the court below again upon respondent's petition for clarification of the mandate, petitioner filed a petition for rehearing of the case upon the merits. The court on May 5, 1938 denied petitioner's petition for want of jurisdiction but stated that, even if it had jurisdiction, it saw no reason why the petition should be granted. In this connection, the court stated (R. 3-A, pp. 2284-2285):

"* * * Nothing new is presented except that in February, 1938, the British Privy Council in *Canadian Shredded Wheat Co. Ltd. v. Kellogg Company of Canada, Ltd.* reached, it is claimed, a different conclusion from that of this court. Even if the record in the two cases were the same, the latter decision does not persuade us that the conclusion at which we arrived was wrong. We are advised that the British High Court of Justice on a full record reached a different conclusion from that of the British Privy Council as to the registerability of 'Shredded Wheat' as a trade name under the English statute."

The decision of the British High Court of Justice, referred to by the court below, was reversed on appeal on July 28, 1938. In the *Matter of the Trade Marks Acts, 1905 to 1919 and In the Matter of Trade Mark No. 500,671 Registered in the Name of The Shredded Wheat Co., Ltd. in Class 42 (Supreme Court of Judicature, Court of Appeal)*. In this case, hereinafter referred to as the "*British Trade-Mark Case*", the registration in 1929 of the words "Shredded Wheat" under the English Trade-Mark Act

* Unless otherwise indicated, all italics appearing in quotations in this brief are supplied by us.

of 1905 was held invalid on the ground that at the date of registration the name was descriptive rather than distinctive. For the convenience of the Court, the opinion is printed in an appendix to this brief (pp. 143-147, *infra*).

In considering the opinions below, this Court will wish to consider the decision of the Judicial Committee of the Privy Council in *Canadian Shredded Wheat Co., Ltd. v. Kellogg Company of Canada, Ltd. and another*, printed at page 125, *infra*. In that case, as has already been stated, precisely the same issues were raised as are presented in the case at bar. The Privy Council, in an opinion rendered by Lord Russell of Killowen, held that the words "shredded wheat" were both the name of the product and descriptive of that product and that they had been so used by the respondent. Although recognizing that the words had become associated with the goods of the respondent because of its long monopoly, the Privy Council held that they had not lost their primary meaning as describing and signifying the article itself, and had not acquired the secondary meaning of signifying only goods manufactured by the respondent. The court added that it would "be passing strange if they had acquired such a meaning, for it would be a meaning directly contrary to the sense in which those words had been put forward to the public by the plaintiff company in its cartons and advertisements."

With respect to respondent's allegation that petitioner's biscuits are of such shape and size that hotels and restaurants could supply them in response to the request of a consumer who, in asking for shredded wheat, desired respondent's biscuit, Lord Russell stated (p. 141, *infra*):

"* * * Their Lordships see no reason for granting any such relief, upon the evidence given in the present case. They are not satisfied that a person asking for shredded wheat will not have his request truly satisfied if the product shredded wheat, as manufactured by Kellogg's or any other manufacturer, is supplied. Nor are they satisfied that a cus-

tomer who really desires a biscuit of the plaintiff company's manufacture will necessarily be deceived by being offered a biscuit of the same shape but perceptibly smaller. Such likelihood of deception requires to be proved, and it is noticeable that no witness was shown a Kellogg's biscuit and asked whether he would have taken that to be a biscuit of the plaintiff's company's manufacture. * * *

The Privy Council pointed out that its decision had been reached without specific reference to the existence of patents which had expired, but added in its opinion (pp. 141-142, *infra*):

"* * * Their Lordships, however, find it difficult to conceive that a manufacturer could in such a case be held guilty of passing off, if he manufactured the goods in accordance with the expired patents, and the only similarity between the rival goods lay in the appearance of the goods so manufactured and the application to them of the name by which the patented goods had been known. It is conceivable that, in the case of a patent long ago expired, the evidence might possibly establish that the name had become distinctive of a particular manufacturer rather than descriptive of the goods, with the result that other manufacturers of the goods could be compelled to adopt some means of effectively distinguishing their goods from those of the particular manufacturer. Difficult as such a case is to prove in the case of a descriptive word, it must be additionally difficult in the case where a word is the name of goods as well as being descriptive of those goods. * * *

Concluding the judgment of the Privy Council, Lord Russell said (p. 143, *infra*):

"One further observation their Lordships desire to make. Litigation has taken place in the United States of America in which a company called National Biscuit Company sought to restrain a company called Kellogg Company from using the words 'shredded wheat.' The action was dismissed by decree of the U. S. district court for the district of Delaware, and, on appeal to the U. S. circuit court of appeals for the third circuit, the decree was affirmed. Subse-

quently, on reargument before the same judges, that decision was reversed, and a decree was entered:

enjoining the defendant from the use of the name 'shredded wheat' as its trade name, and from advertising or offering for sale its product in the form and shape of plaintiff's biscuit in violation of its trade mark.

Their Lordships can only (but with the greatest respect for the court) express the view that, if the facts of that case were similar in all respects to the facts of the present case, they prefer the first judgment of the circuit court of appeals to its later decision. * * *

Specification of Errors.

We respectfully submit that the court below erred:

(1) In failing to affirm the decision of the District Court dismissing the complaint, and in reversing its judgment;

(2) In holding that respondent is entitled to the exclusive right to sell shredded wheat biscuits in the pillow-shaped form under any name, and in enjoining petitioner from advertising or selling its product in the pillow-shaped form in distinctive cartons;

(3) In holding that respondent is entitled to exclusive use of the words "shredded wheat" as applied to food products, and in enjoining petitioner from use of these words as a trade-name;

(4) In holding that respondent is entitled to the exclusive trade-mark use of a pictorial representation of two shredded wheat biscuits in a dish;

(5) In holding that the name shredded wheat is not descriptive;

(6) In awarding costs to respondent and directing an accounting for profits and damages;

(7) In directing the issuance of an injunction which in effect creates a perpetual monopoly in the sale of an article which was protected by patents long since expired

and in the use of the descriptive name of the article which was its generic designation during the patent monopoly;

(8) In failing to hold that by "disclaimers in respondent's trade-mark registrations respondent abandoned all claim of exclusive right, if any there was, to the words "shredded wheat" or "shredded wheat biscuit" as a trade-name and to the shape, form, design, appearance and representation of the biscuit;

(9) In holding that since the expiration of the patents respondent acquired property rights in the pillow-shaped biscuits which justify the issuance of a perpetual injunction against the manufacture and sale of such biscuits without regard to the size of the biscuits or the distinctive containers in which they are sold; and

(10) In failing to affirm the decision of the District Court dismissing the complaint in view of the lack of any evidence that petitioner's goods were ever passed off as respondent's goods or that the public was ever deceived as to the source of such goods, and in view of the finding that the size of petitioner's biscuits and the character of the containers in which they are sold are so distinctive as to preclude any likelihood of such passing off or deception of the public.

Summary of Argument.

I. The court below in its first opinion expressly approved the finding of the District Court that no confusion, misleading or deceit is shown in this case. In directing the issuance of an injunction despite this finding, the court ignored the cardinal principle that the essence of the wrong in cases of this kind consists in the sale of the goods of one manufacturer or vendor for those of another, and that unless such palming off of goods is shown, no relief can be granted. Since the record establishes that no use was made of the pillow-shaped form or the name "shredded wheat" which led any person to

believe that in purchasing petitioner's product he was receiving respondent's product, the essential element of a cause of action is lacking.

II. Petitioner's manufacture and sale of shredded wheat biscuits in the pillow-shaped form does not constitute unfair competition. 1,999 out of 2,000 of petitioner's biscuits reach the last purchaser in petitioner's distinctive cartons which no consumer has mistaken or could mistake for those of the respondent. The few biscuits which reach the last purchaser outside the carton were completely distinguishable from respondent's because of their small size until respondent copied petitioner's size five years after it had been popularized by petitioner; even as to these few biscuits, there is no evidence of passing off or deception of the public. Respondent's case is therefore utterly lacking in the necessary factual foundation.

Moreover, the pillow-shaped form inevitably results from the process of manufacture of shredded wheat biscuits and there is no commercially practicable method to make such biscuits distinctive other than the methods adopted by the petitioner. If petitioner cannot make this form of biscuit, it must withdraw entirely from competition in the trade. The authorities are conclusive that this may not be required under the guise of protecting respondent against unfair competition. Imitation of non-functional features of an article may be enjoined if likely to lead to confusion, but the functional or essential features of a product not protected by patent are open to all to use and may not be exclusively appropriated by anyone.

Finally, under the rule established by this Court in *Singer Manufacturing Co. v. June Manufacturing Co.*, 163 U. S. 169, upon the expiration of a patent the right to make the patented product in the form in which it became known to the public during the patent monopoly becomes dedicated to the public. Respondent had a design patent on this very form of biscuit, it had patents on machinery designed to produce this very form of biscuit, and, during

the life of its basic product and process patent, the product shredded wheat became known to the public in the form of the pillow-shaped biscuit. Upon the expiration of these patents, therefore, the right to make and vend the pillow-shaped biscuits was dedicated to the public. The effect of the contrary ruling of the court below, for all practical purposes, is to extend the life of respondent's expired patents to eternity.

III. If petitioner has the right to make the product, it has the right to call it by the only name which that product bears. Respondent has no property right in the words "shredded wheat"; petitioner may employ them with equal right so long as it does not so use them as to deceive the public into believing that its goods are those of the respondent. The record conclusively establishes that there has been no such deception of the public and no possibility of such deception. The necessary prerequisite to injunctive relief is therefore entirely wanting.

Furthermore, the record shows beyond question that the words "shredded wheat" are the descriptive, the generic and the only name for the product. Respondent has consistently used the words in a descriptive and generic sense and the public understands them to mean what the respondent has always asserted that they mean. The authorities are entirely clear that descriptive and generic names are not subject to exclusive appropriation by anyone; all competitors have a right to use such names provided only that they do what petitioner has always done, plainly indicate the source of manufacture. This rule applies with peculiar force where, as here, the descriptive and generic name has no synonym or substitute but is the only name by which the product is known to the trade and to the public. Any one who may make an article may use the only words in the common stock of language which denote and describe that article.

Even if the record showed, as it does not, that "shredded wheat" was originally adopted as a distinctive and fanci-

ful name, the name became dedicated to the public upon the expiration of respondent's patents in 1912 under the rule in *Singer Manufacturing Co. v. June Manufacturing Co.*, *supra*. The *Singer* doctrine is that any words which have become known to the public during the patent period as the identifying name of the patented product fall into the public domain upon expiration of the patent and may not thereafter be exclusively appropriated by anyone. Since "shredded wheat" was the only designation given to the biscuits during the life of respondent's patents, petitioner may now use that name as the name of its product made in accordance with the disclosures of those patents. The contrary holding of the court below permits the respondent to perpetuate its patent monopoly indefinitely by excluding others from using the only words by which the patented article is known.

IV. If petitioner has the right to make and sell the biscuit, it likewise has a right to tell the public what it is marketing by placing a pictorial representation of its biscuit on the outside of its carton. The picture on petitioner's carton does not constitute any infringement of respondent's alleged trade-marks of the picture of a dish containing one or two of its biscuits immersed in milk or cream; the pictures are totally dissimilar. Moreover, respondent does not employ the dish illustration as a trade-mark indicating the origin of its product but rather as a pictorial explanation of how its product should be used. No charge of unfair competition can be predicated upon petitioner's use of the picture since it has not caused and could not cause any purchaser to believe that petitioner's goods are the goods of the respondent.

V. Respondent's claim to the exclusive right to make the biscuit in the pillow-shaped form, to call it by its name and to illustrate it by pictorial representation, is without merit because of its disclaimers of those very rights in its trade-mark registrations. *Beckwith v. Commissioner of Patents*, 252 U. S. 538.

ARGUMENT.

Introductory Statement.

This action seeks to establish in the respondent the exclusive right to make shredded wheat biscuits in their only commercially practicable form and to call them by the only name by which they are known. An exclusive right in the form could only properly be predicated upon a valid and subsisting patent, and in the name only upon a valid trade-mark. Respondent's patent monopoly has long since ceased and, since "shredded wheat" is the generic and descriptive product name, it has no valid trade-mark rights therein. Whatever exclusive rights respondent may have had during the life of its patents, upon their expiration the form and generic name of the biscuit became free for all to use under the principle established by this Court in *Singer Manufacturing Co. v. June Manufacturing Co.*, 163 U. S. 169.

The essential element of respondent's asserted cause of action is the sale or attempted sale of petitioner's goods as the goods of respondent. This essential element is entirely lacking in this case. Respondent relies solely on alleged "equitable grounds" to preserve its former monopoly. Its contentions confuse competition with unfair competition.

Competition is rivalry between two or more producers in the sale of the same or a similar article. The reputation of and demand for the article, as such, inures to the benefit of all producers. Thus, if one manufacturer spends large sums of money advertising the excellence of a particular article, as distinguished from other articles, competing producers of that article will doubtless derive benefit therefrom. It is of the essence of competition that the

good will of the article is available to all. *Sazlehner v. Wagner*, 216 U. S. 375, 380.*

Unfair competition is an appropriation, not of the good will of the article, but of the good will of a particular manufacturer of the article. The essential feature of unfair competition is the sale by one producer of its goods as the goods of a rival producer.

There are no "equitable grounds" for protection of trade against competition; relief must be predicated upon the existence of unfair competition. One may establish himself in business notwithstanding the fact that he foresees that the effect of his competition will be to diminish the trade of another, perhaps to ruin him. O. W. HOLMES, JR., *THE COMMON LAW*, pp. 144-145. To paraphrase the language of this court in *Canal Co. v. Clark*, 13 Wall. 311, 328, if respondent's sales are diminished, it is because it is not the only producer of shredded wheat, and not because of any fraud of the petitioner.** Competition such as this "must be met in some other way than by a lawsuit". *P. Lorillard Co. v. Peper*, 86 Fed. 956, 962 (C. C. A. 8).

* Under this rule respondent's large expenditures in popularizing shredded wheat, to which much importance was attributed in the opinion of the court below, are not significant.

** There is no proof in the record that there has, in fact, been any diminution of respondent's sales because of petitioner's competition.

POINT I

The Record Presents a Plain Case of *Damnum Absque Injuria* and Respondent Is Entitled to No Relief.

It is upon the assumption that the respondent has an exclusive right to sell shredded wheat biscuits in their characteristic form and under the only name by which they are known to the public that the court below predicated its decree. In reaching this result it did not reject the findings of the District Court that petitioner's biscuits are sold in cartons which cannot be mistaken for respondent's and that petitioner's biscuits are distinguishable in appearance from respondent's.

In its first opinion, the court below expressly affirmed the findings of the District Court by stating that there was no confusion, misleading or deceit shown in the case (R. 3-A, p. 2071). Upon reargument, without questioning this finding, the court below vacated its decree and in concluding its opinion baldly stated that petitioner "deliberately started out to acquire by unfair competition and misstatement the trade which equitably belonged to the plaintiff and that it is practically impossible for defendant to use the name and form of plaintiff's biscuit to designate its product without confusion, deception of the public and unfair competition with the plaintiff" (R. 3-A, p. 2083). No new facts were found in support of this contradictory conclusion. It is based, as the opinion of the court shows, (1) upon the court's erroneous conclusion of law that respondent, because of its large advertising expenditures and long monopoly after the expiration of its patents, has acquired an exclusive right to sell shredded wheat biscuits in their characteristic form and under the name by which they became known to the public; (2) upon the court's failure to apply the rules announced in *Singer Manufac-*

taring Co. v. June Manufacturing Co., 163 U. S. 169; (3) upon the court's failure to appreciate the distinction between the good will of a product (which belongs to all) and the good will of a particular manufacturer thereof (which belongs to him alone); and (4) upon the court's extraordinary misconception and misapplication of the doctrine of "secondary meaning" of descriptive words. The last mentioned doctrine applies only in cases where the evidence shows that the descriptive words, in their ordinary usage, have come to signify the source of manufacture of an article rather than the article itself. Yet twice in the second opinion in this case, the court below held that the name "shredded wheat" had acquired a "secondary meaning" because "it has come to stand for the product itself" (R. 3-A, pp. 2087, 2089)—a statement of law which is opposed to all the authorities on that subject.

These errors of law, rather than any disagreement with the facts as found by the District Court, led to the above quoted conclusion of the opinion—a conclusion perhaps correct, if the statement of principles upon which it is founded is sound, but undoubtedly erroneous if the statement is unsound.

Apart from the above mentioned legal questions, all of which receive consideration in this brief, the court below ignored the cardinal principle underlying all cases of this kind. Trade-marks and trade-names are property only in a qualified sense and the owner's right is defined by the law of torts, not by the law relating to the title and ownership of property. *Beech-Nut Co. v. Lorillard Co.*, 213 U. S. 629, 632; *Hanover Milling Co. v. Metcalf*, 240 U. S. 403, 413. The owner's right is defined as no more and no less than "the right to prohibit the use of the trade-mark so far as to protect the owner's good will against the sale of another's product as his". *Pres-tonettes, Inc. v. Coty*, 264 U. S. 359, 368.

Injunctions against unfair dealing are not predicated upon any proprietary right of the plaintiff in the form, name or appearance of its product; they are predicated solely upon the right of the plaintiff to be protected in its trade against deceptive practices which may cause another's goods to be sold as its. The essence of the wrong which measures the plaintiff's right to relief consists in the sale of the goods of one manufacturer or vendor as those of another and it is only when this false representation is directly or indirectly made that the party who appeals to a court of equity can have relief. This is the doctrine of all the authorities. *Canal Co. v. Clark*, 13 Wall. 311, 322; *Elgin Nat'l Watch Co. v. Illinois Watch Co.*, 179 U. S. 665, 674; *Howe Scale Co. v. Wyckoff, Seamans & Benedict*, 198 U. S. 118, 140; *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446, 462; *Hanover Milling Co. v. Metcalf*, 240 U. S. 403, 413; *Warner & Co. v. Lilly & Co.*, 265 U. S. 526.*

The court below did not follow these well established principles. Having adopted in its first opinion the findings of fact of the District Court, and without rejecting its own findings concerning the distinctive size of peti-

* See also: *Manufacturing Co. v. Trainer*, 101 U. S. 51; *Goodyear Co. v. Goodyear Rubber Co.*, 128 U. S. 598; *The French Republic v. Saratoga Vichy Spring Co.*, 191 U. S. 427; *Waterman Company v. Modern Pen Co.*, 235 U. S. 88; *Straus v. Notaseme*, 240 U. S. 179; *Prestonettes, Inc. v. Coty*, 264 U. S. 359; *Federal Trade Commission v. Klesner*, 280 U. S. 19, 27; *Reddaway v. Banham*, [1896] A. C. 199, 13 R. P. C. 218; *Rathbone, Sard & Co. v. Champion Steel Range Co.*, 189 Fed. 26 (C. C. A. 6); *Rouss, Inc. v. Winchester Co.*, 300 Fed. 706 (C. C. A. 2), cert. den. 266 U. S. 607; *Fawcett Publications v. Popular Mechanics Co.*, 80 F. (2d) 194 (C. C. A. 3); *Du Pont Cellophane Co. v. Waxed Products Co.*, 85 F. (2d) 75, 81, cert. den. 299 U. S. 601, 82 L. ed. 1041; *Bayer v. United Drug Co.*, 272 Fed. 505 (S. D. N. Y.).

tioner's biscuits and their sale in distinctive cartons, the court proceeded to ignore these facts and treated the form of the biscuit as an exclusive property right wrongfully "appropriated". Similarly, having misconstrued and misapplied the doctrine of "secondary meaning" to the words "shredded wheat", it completely ignored the principle that others may nonetheless use these words to designate their product provided all confusion as to the manufacturer is avoided.

Any consideration of the evidence (see pp. 36-38, *supra*) shows that no use was made of the form or of the name which led any person to believe that in purchasing petitioner's product he was receiving respondent's product. It follows upon basic principles that, there having been no palming off of petitioner's biscuits as biscuits made by the respondent, the essential element of a cause of action is lacking. If respondent has lost trade to a vigorous competitor who has exhausted every effort to distinguish its goods from those of the respondent and has succeeded in such efforts, such loss is *damnum absque injuria* for which the law affords no remedy.

The authorities we have cited appear to control decision that upon this record, which affirmatively shows that there has been no palming off or any likelihood of palming off of petitioner's goods as the goods of respondent, there can be no relief. In the following points we consider the petitioner's right to make and sell the biscuit in its only commercially practicable form, to call it by its only proper name and to portray it by pictorial representation. Upon this consideration respondent's failure to prove any ground for relief will more clearly appear.

POINT II.

The Manufacture and Sale by Petitioner of Shredded Wheat Biscuits in the Pillow-Shaped Form Does Not Constitute Unfair Competition.

The decree below directs the issuance of an injunction absolutely prohibiting petitioner from advertising or offering for sale its biscuits in the pillow-shaped form. The injunction directed to be issued covers all sales of the biscuits, whether contained in distinctive cartons or not, and is operative irrespective of whether the size, color and composition of petitioner's biscuits simulate those of the respondent or completely differ therefrom. This sweeping injunction is not predicated upon trademark infringement because the article itself could not constitute a trade-mark. *Daniel v. Electric Hose & Rubber Co.*, 231 Fed. 827 (C. C. A. 3). Its effect, however, is to establish a monopoly differing only from a patent in that it is perpetual.

In directing the issuance of this injunction the court below, we submit, misconceived the essential nature of unfair competition as outlined in Point I, *supra*, and disregarded the fact that the pillow-shaped form is a functional characteristic of the biscuit and that it is the only form in which the biscuit became known to the public during the life of respondent's expired patents.

A. Petitioner's use of the pillow-shaped form has caused no confusion, misleading or deceit.

As the District Court found, there has been no deception of the public as to the origin of respondent's and petitioner's products and no sale of petitioner's goods as those of respondent (p. 36, *supra*). Only one out of 2,000, or .05%, of petitioner's biscuits is served to the final purchaser outside the carton; the remaining 1,999, or

99.95%, are sold only in packages distinctively marked with petitioner's name and entirely dissimilar from respondent's package (pp. 5-6, *supra*). No consumer examining petitioner's carton has thought, or could reasonably think, that he was receiving respondent's product. There has been and can be no confusion between them.

It follows that as to 1,999 out of 2,000 biscuits sold by petitioner, the fundamental prerequisite to relief in an action for unfair competition is entirely lacking. Therefore, even apart from the fact that petitioner's biscuits are distinctive because of their size, that the pillow-shaped form of biscuit is the only commercially practicable form and that the product was protected by patents which have long since expired, it is clear that the injunction against the sale of petitioner's pillow-shaped biscuits in their distinctive cartons cannot be supported and must be reversed. In this respect, the decision below is irreconcilable with *Shredded Wheat Co. v. Humphrey Cornell Co.*, 250 Fed. 960 (C. C. A. 2) and *Canadian Shredded Wheat Co., Ltd. v. Kellogg Company of Canada, Ltd. and another* (Privy Council), p. 125, *infra*.*

Similar considerations apply with respect to those few biscuits which may be sold by restaurants and lunch rooms outside the carton, because petitioner's biscuits are clearly distinguishable. As has previously been stated, scores of witnesses, respondent's and petitioner's alike, testified to the differences from which they knew at once that the smaller biscuits were not respondent's product and the record is barren of evidence that any purchaser ever

* See also *Postum Cereal Co. v. American Health Food Co.*, 119 Fed. 848 (C. C. A. 7); *Heide v. Wallace & Co.*, 135 Fed. 346 (C. C. A. 3); *Diamond Match Co. v. Saginaw Match Co.*, 142 Fed. 727 (C. C. A. 6), cert. den. 203 U. S. 589; *Coca Cola Co. v. Gay-Ola Co.*, 200 Fed. 720 (C. C. A. 6), cert. den. 229 U. S. 613; *Miller Rubber Co. v. Behrend*, 242 Fed. 515 (C. C. A. 2); *Krem-Ko Co. v. Miller & Sons, Inc.*, 68 F. (2d) 872 (C. C. A. 2).

received petitioner's biscuits believing them to be products of respondent (see p. 25, *supra*). Indeed, that the two products were known to purchasers to be different is demonstrated by respondent's own action in marketing a small biscuit of substantially the same size as petitioner's for the express purpose of meeting petitioner's competition in the restaurant trade, five years after petitioner had introduced its distinctively sized product to the public use (see p. 26, *supra*).

Conclusion follows that, in the absence of any passing off or likelihood thereof, no injunction applicable to either class of trade can possibly be justified.

B. The pillow-shaped form is a functional and essentially useful characteristic of the biscuit, the use of which cannot be enjoined.

The pillow-shaped form results from the puffing up of the shreds of wheat in the baking after these shreds have been panned and cut by the formerly patented apparatus (see p. 26, *supra*). The biscuits cannot be made in any other form if the machinery covered by these patents is used in accordance with the teaching of the specifications (R. 2, p. 291).

Not only is the pillow-shaped form functional in the sense that no other form can be produced with the patented machinery, but the form itself is a commercially essential feature of the product of these patents. There are several tests which any shredded wheat biscuit must meet in order to be commercially practicable. It must be in some regular shape so as to avoid any waste of material in the cutting and so as to allow packing and handling without undue breakage. It must be puffed so that during the baking process heat can be equally distributed throughout the biscuit and all the shreds thoroughly toasted. Finally, it must be open on at least two sides in order to allow proper baking and to reduce the hard undesirable edges to a minimum. See Appendix A, page 108, *infra*.

It is most desirable that it be of such size that two can fit the cereal bowl. The pillow-shaped form of biscuit is the only shape and form which meets these requirements (R. 2, pp. 1143-1144).

The form being functional, its use cannot be enjoined as unfair competition. The doctrine of all the authorities is that injunctions will lie only against the use of non-functional or decorative features of an article which have acquired a distinctive significance indicating origin with the complainant.

In all cases in which relief is sought against the sale of an article on the ground that the appearance of complainant's product has acquired a secondary meaning and that the defendant's product is confusingly similar thereto, a delicate balance must be drawn by the courts between the right of the defendant to make and vend the article in any form it chooses and the right of the plaintiff to be protected against the sale of another's product as its own. In balancing these rights, the courts have consistently adhered to the rule that "minor or 'non-functional' changes in appearance may be required so long as the substantial elements are left in the public domain", but that "where the 'secondary meaning' is bound up in elements of the appearance which cannot be changed without cutting off the defendant's substantial right to make and sell that kind of goods the plaintiff must suffer the resulting confusion." *Shredded Wheat Co. v. Humphrey Cornell Co.*, 250 Fed. 960, 964 (C. C. A. 2).

This principle is strikingly illustrated by the decision of this Court in *Warner & Co. v. Lilly & Co.*, 265 U. S. 526. The plaintiff in that case was a manufacturer of liquid quinine, flavored and colored with chocolate, which was marketed under the name "Coco-Quinine". The defendant made the same preparation with the same flavoring and coloring matter and sold it under the name "Quin-Coco". Both products were sold by druggists in bulk and the evidence indicated that the defendant had consciously

adopted the policy of inducing the druggists to pass off its product as that of the plaintiff. The Court found that the use of chocolate, which gave the two products an identical appearance, had no therapeutic value, but that it served a desirable function by acting as a suspending medium and by imparting to the preparation a quality of palatability for which there was no equally satisfactory substitute. This was considered a substantial and desirable use "which prevents it from being a mere matter of dress". No injunction was therefore granted against the use of the chocolate and relief was limited to the requirement that the defendant should state on its original packages sold to druggists that the preparation was not to be sold as *Coco-Quinine* or used in filling orders therefor.

The opinion of the Court on this aspect of the case is significant. It stated (pp. 531-532):

"* * * The petitioner or anyone else is at liberty under the law to manufacture and market an exactly similar preparation containing chocolate and to notify the public that it is being done. *Saxlehner v. Wagner*, 216 U. S. 375, 380; *Chadwick v. Covell*, 151 Mass. 190.

"* * * If petitioner had been content to manufacture the preparation and let it make its own way in the field of open and fair competition, there would be nothing more to be said. It was not thus content, however, but availed itself of unfair means, either expressly or tacitly, to impose its preparation on the ultimate purchaser as and for the product of respondent.

"Nevertheless, the right to which respondent is entitled is that of being protected against unfair competition, not of having the aid of a decree to create or support, or assist in creating or supporting, a monopoly of the sale of a preparation which everyone, including petitioner, is free to make and vend. * * *

The decision in *Coca-Cola Co. v. Koke Co.*, 254 U. S. 143 is to the same effect. The defendant in that case marketed a product identical in appearance with Coca-Cola which it sold under the name "*Koke*". An injunction was

sought not only against use of the name but also against use of the same coloring matter employed by the plaintiff. This Court, although finding that the defendant had purposely imitated plaintiff's product in order to sell its mixture as and for plaintiff's goods, limited relief to an injunction against use of the name, stating (p. 147): "The product including the coloring matter is free to all who can make it if no extrinsic deceiving element is present." See also *Saxlehner v. Wagner*, 216 U. S. 375, 380.

Flagg Manufacturing Co. v. Holway, 178 Mass. 83, a decision by Mr. Justice Holmes rendered while he was a member of the Supreme Judicial Court of Massachusetts and cited with approval by this Court in *Saxlehner v. Wagner*, *supra*, is one of the leading cases on this subject. That was a suit to restrain the defendant from selling zithers made in imitation of the plaintiff's. The court found that the defendant had deliberately copied the plaintiff's instrument in all essential and many non-essential details. In limiting relief to the requirement that the defendant plainly mark its instruments so as to indicate unmistakably that they were made by it and not by the plaintiff, Mr. Justice Holmes said (pp. 90-91):

"We are of opinion that the decree was wrong in principle. Both zithers are adapted for the use of patented sheets of music, but the zithers are not patented. Under such circumstances the defendant has the same right that the plaintiff has to manufacture instruments in the present form, to imitate the arrangement of the plaintiff's strings or the shape of the body. In the absence of a patent the freedom of manufacture cannot be cut down under the name of preventing unfair competition. *Dover Stamping Co. v. Fellows*, 163 Mass. 191. See *Singer Manuf. Co. v. June Manuf. Co.*, 163 U. S. 169. All that can be asked is that precautions shall be taken, so far as are consistent with the defendant's fundamental right, to make and sell what he chooses, to prevent the deception which no doubt he desires to practise.

It is true that a defendant's freedom of action with regard to some subsidiary matter of ornament or label

may be restrained, although a right of the same nature with its freedom to determine the shape of the articles which it sells. But the label or ornament is a relatively small and incidental affair, which would not exist at all, or at least would not exist in that shape but for the intent to deceive; whereas the instrument sold is made as it is, partly at least, because of a supposed or established desire of the public for instruments in that form. The defendant has the right to get the benefit of that desire even if created by the plaintiff. The only thing he has not the right to steal is the good will attaching to the plaintiff's personality, the benefit of the public's desire to have goods made by the plaintiff. Probably if there were an absolute conflict between the defendant's right as we have stated it and the plaintiff's, the defendant's would prevail. *American Waltham Watch Co. v. United States Watch Co.*, 173 Mass. 85, 86, 87. But the plaintiff's right can be protected sufficiently by requiring the defendant's zithers to be clearly marked so as to indicate unmistakably that they are the defendant's and not the plaintiff's goods. This is the relief which the master found to be proper, and we are of the opinion that he was right. To go further is to save the plaintiff from a competition from which it has no right to be exempt."

In *Marvel Co. v. Pearl*, 133 Fed. 160 (C. C. A. 2), the plaintiff, manufacturer of a syringe sold under the name "Whirling Spray", sought to enjoin the defendant from marketing an almost identical syringe under the name "Whirlspray". Although finding that the two products were so similar that the ordinary purchaser would not distinguish one from the other, the court denied relief on the ground that the form of defendant's syringe was functional. In this connection, the court remarked (pp. 161-162):

"In the absence of protection by patent, no person can monopolize or appropriate to the exclusion of others elements of mechanical construction which are essential to the successful practical operation of a manufacture, or which primarily serve to promote its

efficiency for the purpose to which it is devoted. Unfair competition is not established by proof of similarity in form, dimensions, or general appearance alone. Where such similarity consists in constructions common to or characteristic of the articles in question, and especially where it appears to result from an effort to comply with the physical requirements essential to commercial success, and not to be designed to misrepresent the origin of such articles, the doctrine of unfair competition cannot be successfully invoked to abridge the freedom of trade competition. The enforcement of such a claim would permit unfair appropriation, and deny the exercise of the right of fair competition. The case at bar is an illustration of such an attempted perversion of the doctrine of unfair trade."

Globe-Wernicke Co. v. Fred Macey Co., 119 Fed. 696 (C. C. A. 6), cert. denied 194 U. S. 634, illustrates the same principle. In that case, the court refused to enjoin as unfair competition the sale by the defendant of sectional bookcases, identical in appearance with those made by the plaintiff, on the ground that no one could secure the exclusive right to manufacture an article in its most desirable or characteristic form.

The *Marvel* and *Globe-Wernicke* cases, *supra*, were relied upon in *Daniel v. Electric Hose & Rubber Co.*, 231 Fed. 827 (C. C. A. 3) to deny an injunction against the sale by the defendant of rubber hose with longitudinal corrugations. Such fluted hose had been protected by an expired patent and for many years subsequent to the expiration of the patent plaintiff had been the only maker of such hose. Although rubber hose could clearly be made in some other form, the court held that the corrugations were useful and functional and therefore not subject to exclusive appropriation by anyone. In this connection the court stated (pp. 833-834):

"* * * The testimony being clear that the longitudinal corrugations on the tube are useful and functional, the authorities * * * are clear that such use-

ful features are common property, may be made by any manufacturer of such an article, and cannot be appropriated as a trade-mark. Where the article itself is one which any one of common right may make, no person by making that article for any period of time—no matter for how long—can convert that article itself into a trade-mark and thereby acquire an exclusive right to make it in perpetuity. To allow this would be to destroy the 17-year limitation of the patent system. The purpose of a trade-mark is, as its name signifies, to provide a mark for an article in which one trades. It is the evidence of the article's genuineness, but is not the article itself.”*

See also *Rathbone, Sard & Co. v. Champion Steel Range Co.*, 189 Fed. 26 (C. C. A. 6), *P. Lorillard Co. v. Peper*, 86 Fed. 956 (C. C. A. 8), cert. denied 171 U. S. 690, *Edward Hilker Mop Co. v. United States Mop Co.*, 191 Fed. 613 (C. C. A. 6), *Crescent Tool Co. v. Kilborn & Bishop Co.*, 247 Fed. 299 (C. C. A. 2), *Maytag Co. v. Meadows Mfg. Co.*, 35 F. (2d) 403 (C. C. A. 7), cert. denied 281 U. S. 737, 283 U. S. 843, and *Pope Automatic Merchandising Co. v. M'Crum-Howell Co.*, 191 Fed. 979, 982 (C. C. A. 7), cert. denied 223 U. S. 730, in the last of which cases the court pointed out that if the plaintiff could secure, not by a patent but by an unfair trade suit, the exclusive right to manufacture an article in its most desirable form, “he would be given gratuitously a monopoly more effective than that of the unobtainable patent in the ratio of eternity to 17 years.”

Clearly, the pillow-shaped form—the unadorned product of the patent-expired machinery—is not a “mere matter of dress”; it is not simply an ornamental design adopted by the respondent to distinguish its goods from those of others. To the contrary, it is an essential feature

* This opinion, written by Judge Buffington, affirmed the District Court decision of Judge Thompson. Both Judge Buffington and Judge Thompson ruled to the contrary in the case at bar without distinguishing or even mentioning their earlier decisions.

of any commercially marketable biscuit (R. 2, pp. 114-1144; see pp. 57-58, *supra*). Under these circumstances the authorities above cited are controlling that no absolute injunction against use of the form can be granted since to do so would be to deprive petitioner of its substantial right to compete and to grant respondent a perpetual monopoly in the sale of this product. As Judge Learned Hand pointed out in *Shredded Wheat Co. v. Humphrey Cornell Co.*, *supra*, "Under the guise of protecting against unfair competition, we must be jealous not to create perpetual monopolies" (250 Fed. at p. 964).*

Furthermore no limited form of injunction, such as that granted in the *Humphrey Cornell* case, can be justified here. As has previously been stated, the Circuit Court of Appeals for the Second Circuit in that case denied the respondent all relief with respect to biscuits reaching the last purchaser in cartons, even though the defendant's biscuits were identical in size and appearance with respondent's biscuits. The decree did require that all biscuits reaching the last purchaser outside of their cartons in restaurants and lunch rooms must bear a letter, cross or other plain symbol impressed in their substance, or have fastened upon them a wrapping, tag or band stating that they were made by the defendant, but even this limited injunction was to be lifted if, after a six months' experimental period, defendant was unable to comply with the requirement "except at an expense which would make impossible any continued competition in the business of selling biscuits outside the carton with any assurance of reasonable profit." Judge Ward, in a dissenting opinion, expressed the view that no relief at all should be granted on the ground that the evidence showed

* See also *Canal Co. v. Clark*, 13 Wall. 311; *Lawrence Mfg. Co. v. Tennessee Mfg. Co.*, 138 U. S. 537; *Brown Chemical Co. v. Meyer*, 139 U. S. 540; *Elgin Nat'l Watch Company v. Illinois Watch Company*, 179 U. S. 665; *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446; *Warner & Co. v. Lilly & Co.*, 265 U. S. 526.

that the form was functional and that the requirement imposed by the majority was impracticable.

At the time that this decree was entered, confusion was shown to exist in the restaurant trade because of the identity of Ross' and respondent's biscuit in appearance and size and because the use of individual cartons was then unknown. Now, however, there is no confusion because petitioner has made its product in a distinctive size and because almost all restaurants and lunch rooms use petitioner's individual two-biscuit cartons. Clearly these individual cartons are just as distinctive of the origin of petitioner's product and may no more readily be removed than a paper band or tag.

The District Court found on uncontradicted testimony, and the finding was not disputed in the court below, that the individual biscuits cannot be separately branded and that they cannot be individually wrapped or tagged except at an expense making profitable competition impossible. The various unsuccessful efforts made by the petitioner and also by The Ross Food Company so to mark and wrap their biscuits are recounted in the record and have been described above (pp. 26-27, *supra*). Their experience amply justifies the statement of the District Court that "Had the proof in this case as to marking been before the Court of Appeals in the *Ross* case the opinion of Judge Ward would doubtless have been the opinion of the Court" (R. 1, p. 221).

But slight attention need be given to respondent's contention that, since all regular-shaped biscuits must necessarily be in the pillow-shaped form and since such biscuits cannot be differentiated from respondent's product by any other means than those adopted by the petitioner, petitioner should be enjoined entirely from competing in this trade unless it markets some irregular-shaped biscuit, such as a diamond-shaped biscuit, a cone-shaped biscuit or a doughnut-shaped biscuit. Thus respondent claims a perpetual monopoly in the right to manufacture a particular

type of article on the ground that the article itself, not any of its decorative or non-functional features, is a distinctive product which the public has associated with respondent's manufacture.

The commercial impracticability of making any of the suggested biscuits is established by the evidence, a detailed analysis of which appears in Appendix A hereto (pp. 108-112, *infra*). But it is enough to say that the right to make a desirable article is not abridged because there may be some other type of article which may be equally desirable. Protection of trade from unfair practices does not extend to prevention of competition in the particular type of article for which there is a supposed or established public desire, even if this desire has been created by the complainant. *Plagg Manufacturing Co. v. Holway, supra*.

C. Upon the expiration of respondent's design patent covering the pillow-shaped form of biscuit, of its various patents on machinery designed to produce this form of biscuit, and of its product and process patent, during the life of which that product was known to the public only in this form, the right to make and vend the pillow-shaped biscuit was dedicated to the public.

Completely apart from the considerations adverted to above, the injunction directed to be entered by the court below is, we submit, erroneous because it proceeds in the face of the established rule that, upon the termination of a patent, there passes to the public the right to make the article covered by the patent in the form in which it was made during the patent monopoly. *Singer Manufacturing Co. v. June Manufacturing Co.*, 163 U. S. 169; *Shredded Wheat Co. v. Humphrey Cornell Co.*, *supra*; *Bristol Co. v. Graham*, 199 Fed. 412 (C. C. A. 8); *Daniel v. Electric Hose & Rubber Co.*, 231 Fed. 827 (C. C. A. 3); *William H. Keller, Inc. v. Chicago Pneumatic Tool Co.*, 298 Fed. 51, (C. C. A. 7), cert. denied 265 U. S. 593; *J. A.*

Scriven Co. v. Morris, 154 Fed. 914 (D. Md.), aff'd, 158 Fed. 1020 (C. C. A. 4), appeal dismissed, 223 U. S. 742.*

The decision of this Court in *Singer Manufacturing Co. v. June Manufacturing Co.*, *supra*, is the leading case on this subject. The plaintiff in that case was the original manufacturer of the celebrated Singer sewing machines. The fundamental principles according to which those sewing machines were constructed had been covered by various patents owned by the plaintiff which had expired. None of the machines, however, had been patented as a whole. After the expiration of the patents, the defendant began to market a sewing machine in exact imitation of the plaintiff's, calling it an "Improved Singer". Its conduct indicated, as this Court found, that it was intentionally striving to have its product sold as that of the plaintiff. It imitated plaintiff's machine not only in functional principle but in every detail of external appearance, even including ornamentation. Because the serial number on plaintiff's machines ran into the millions, the defendant began its serial numbers with 300,000,000. It even placed a dummy screw, serving no mechanical purpose whatever, on its machines to imitate a tension screw, still covered by a subsisting patent, which was used on plaintiff's machines. Despite the purposefully deceitful conduct of the defendant, this Court denied the plaintiff relief except to the extent of requiring the defendant to put its name on its machines.

The opinion of this Court with respect to the right of the defendant to use the name "Singer" is discussed

* See also *Warren Featherbone Co. v. American Featherbone Co.*, 141 Fed. 513 (C. C. A. 7); *Rice-Stix Dry Goods Co. v. J. A. Scriven Co.*, 165 Fed. 639 (C. C. A. 8), cert. denied 212 U. S. 582; *Yale & Towne Manufacturing Co. v. Ford*, 203 Fed. 707 (C. C. A. 3); *National Lock Washer Co. v. Hobbs Mfg. Co.*, 210 Fed. 516 (D. Mass.); *The Singer Manufacturing Company v. Loog*, L. R. 8, App. Cases 15 (House of Lords); *The Cellular Clothing Company v. Maxton & Murray*, [1899] A. C. 326, 16 R. P. C. 397.

in Point III, *infra*. What is important here is the fact that, although the plaintiff had no patent on any of its machines as a whole, although the defendant purposefully imitated the appearance of plaintiff's machines, including many purely ornamental features, and although the likelihood of public deception was entirely clear, no injunction was granted because the form of defendant's product was the form in which plaintiff's product was made during the life of the patents. In this connection the Court said (p. 185):

"It is self evident that on the expiration of a patent the monopoly created by it ceases to exist, and the right to make the thing formerly covered by the patent becomes public property. It is upon this condition that the patent is granted. It follows, as a matter of course, that on the termination of the patent there passes to the public the right to make the machine in the form in which it was constructed during the patent. We may, therefore, dismiss without further comment the complaint, as to the form in which the defendant made his machines."

Respondent's claim of exclusive right to use the pillow-shaped form cannot withstand the application of these decisions. This form was protected by a design patent, it was the form in which shredded wheat was made and known to the public during the life of the basic product and process patent, and the respondent held various other patents covering improvements in the machinery for making shredded wheat which, as shown in the patent specifications, were designed to produce only the pillow-shaped biscuits. The effect of the decree below, for all practical purposes, is to extend the life of these expired patents to eternity.

The court below declined to apply the doctrine of the *Singer* case because of the fact that in 1908, a year before its expiration, respondent's design patent No. 24,688 was held invalid by Judge Kohlsaat in *Natural Food Company*

v. *Bulkley*, No. 23,530, N. D. Ill., East. Div. (P. Ex. 273). This ruling, we submit, misconceives the fundamental principle of the *Singer* rule.

The fact is that respondent successfully asserted exclusive rights to the design of the biscuit during the entire term of the patent and for some time thereafter by printing prominently upon its packages until 1915 a notice that the biscuits were protected thereby (see p. 9, *supra*). As the District Court stated in this connection (R. 1, p. 197), "By its professions and conduct plaintiff secured a monopoly not for fourteen years but actually for twenty years."

The authorities are clear that under these circumstances respondent cannot now be heard to say that the design of its biscuit was not in fact protected by patent. *Collis Co. v. Consolidated Machine Tool Corporation*, 41 F. (2d) 641 (C. C. A. 8); cert. denied 282 U. S. 886; *Horlick's Food Co. v. Elgin Milking Co.*, 120 Fed. 264 (C. C. A. 7).

In the *Collis* case, *supra*, the doctrine of the *Singer* case was held to be applicable to an article which the plaintiff had sold under the claim of patent protection, even though it was not clear that plaintiff's product was actually the article covered by the patent. In this connection, the court said (pp. 644-645):

"But it is further contended that the tool as in fact manufactured by the plaintiff was not and is not the device covered by the Davis patent. It appears by the record in this case that this identical tool was for seventeen years manufactured and sold under the protection of the Davis patent. In fact, the tool itself falsely bore evidence that it was patented for at least one year subsequent to the expiration of the patent; and continuously up to the time of the commencement of this action the advertisements of the plaintiff and its predecessor indicated that it was protected by patent. The plaintiff, having enjoyed the benefits of the monopoly protected by this patent, cannot consistently now be heard to say that in fact the device manufactured and sold by it was not the

device so patented. *Sproull v. Pratt & Whitney Co.* (C. C.) 97 F. 807. There is an intimation in the record that the defendant's delay in commencing the manufacture of its chuck precluded it from invoking the doctrine announced in *Singer Manufacturing Company v. June Manufacturing Company*, *supra*, but it should be observed in this connection that during all this time the plaintiff and its predecessor were, through their advertisements, falsely representing that this device was protected by patent. It is not in the mouth of the plaintiff, therefore, to urge that the defendant should earlier have discovered its deception or fraud. To permit plaintiff so to do would allow it to take advantage of its own wrong."

A similar ruling was made in *Horlick's Food Co. v. Elgin Milkine Co.*, *supra*, where the court stated (pp. 266-267):

"It matters not, in our judgment, that the patent may not have been in fact valid; nor that the product, —malted milk—could not in fact have been covered by the description of the patent. The point is, that appellant chose to mark its product as if it were a monopoly, thereby obtaining, measurably at least, the benefit of a monopoly; and gave to it a name, that became the generic name of the supposed monopoly. The case is thus brought, in our judgment, within the principle, if not the exact facts, of *Singer Mfg. Co. v. June Mfg. Co.*, 163 U. S. 169, 16 Sup. Ct. 1002, 41 L. Ed. 118, and must be ruled accordingly."

Furthermore, the *Singer* doctrine would be applicable to the case at bar even had no design patent ever existed. The rule of the *Singer* case is that upon the expiration of a patent there passes to the public the right to use not only the article as described in the specifications of the patent but also the characteristic form in which it became known to the public during the patent monopoly. This rule is the necessary result of the right of the public to the full enjoyment of the patented product since, unless

the competing article can be recognized by the public to be the same article as that protected by the patent, the right to make and vend it would be of little value. The rule is based upon the same considerations as the doctrine, discussed at pages 95-103, *infra*, that upon the expiration of a patent, the public may use the generic name by which the article was known during the patent period.

Respondent's basic patent, which expired in 1912, was upon the product shredded wheat and upon the process of its manufacture (see p. 8, *supra*). During the life of this patent, shredded wheat became known to the public in the form of the pillow-shaped shredded wheat biscuit. Upon the expiration of this basic patent, therefore, the public had a right to make and vend the pillow-shaped biscuit even though this particular form of the product was not disclosed in the specifications of the basic patent. Indeed, this was the exact situation in the *Singer* case, where, as has been pointed out, the patents extended only to the fundamental principles of the sewing machines and not to the machines as a whole.

Moreover, even apart from the design patent and the product and process patent, petitioner is clearly entitled under the *Singer* case to make and vend the pillow-shaped biscuit because some eight patents were held by respondent covering improvements in machinery for the production of shredded wheat biscuits which, as shown in the patent specifications, were designed to produce this particular form of product (see p. 8, *supra*). Clearly, upon the expiration of those patents, the machinery, as disclosed, could be employed by anyone to produce the article which that machinery was designed to produce.

Respondent seeks to avoid application of the *Singer* doctrine on the further ground that it has enjoyed the exclusive use of the form for many years since the expiration of its patents. This contention again, we submit, involves a misunderstanding of the *Singer* rule. The essence

of that rule is that the 17-year patent monopoly is granted upon the condition that at the end of that period all exclusive rights to the article cease. The patented product thereafter belongs in the public domain and no period of exclusive use can withdraw it therefrom. As this Court said in *Saxlehner v. Eisner & Mendelson Co.*, 179 U. S. 19, 36, "The right to individual appropriation once lost is gone forever."

The same contention now made by the respondent was made in *Daniel v. Electric Hose & Rubber Co.*, 231 Fed. 827 (C. C. A. 3). The reply there given by the court is, we submit, unanswerable. After stating what has been quoted above (p. 63) that "Where the article itself is one which anyone of common right may make, no person by making that article for any period of time—no matter how long—can convert that article itself into a trade-mark and thus acquire an exclusive right to make it in perpetuity", the court continued (p. 834):

"* * * Indeed, in the last analysis the whole case of the plaintiff rests on the unwarranted assumption that, by being for some years the maker and vender of a patent-expired article, it thereby could acquire and had acquired an exclusive and perpetual right to make it. Were this the law, it would follow that if Mayall, after the expiration of his patent, had been the only maker of his hose for some years following, he could by his own act turn his patent, which the law limited to 17 years, into a perpetual patent."

* As will be pointed out below (pp. 99-101, *infra*), the same principle applies to the generic name of a patent-expired article. Even though such a generic name be used exclusively by the plaintiff for a long period of years after the expiration of its patent, this will not withdraw it from the public domain. *Centaur Co. v. Heinfurter*, 84 Fed. 955 (C. C. A. 8); *Collis Co. v. Consolidated Machine Tool Corporation*, 41 F. (2d) 641 (C. C. A. 8), cert. den. 282 U. S. 886; *Saxlehner v. Eisner & Mendelson Co.*, *supra*.

POINT III.

The Use by Petitioner of the Words "Shredded Wheat" as Part of the Designating Phrase "Kellogg's Shredded Whole Wheat Biscuit" Does Not Constitute Trade-Mark Infringement or Unfair Competition.

The injunction directed to be issued by the court below enjoins petitioner from using "the name 'Shredded Wheat' as its trade name" (R. 3-A, p. 2286).^{*} Just as that portion of the decree discussed in Point II grants a monopoly in the form irrespective of the name, so this portion of the decree grants a monopoly in the name irrespective of the form.

Since it is clear from the record, as previously analyzed (pp. 36-38, *supra*), that petitioner's use of the words "shredded wheat" has not induced the sale of petitioner's biscuits as respondent's goods, respondent is not entitled to an injunction against such use (see Point I, *supra*).

But even apart from this basic consideration, it is entirely clear that "shredded wheat" is a generic and descriptive product name, which, under controlling decisions of this Court, is not subject to exclusive appropriation by anyone.

A. "Shredded wheat" is the descriptive, generic and only name of the article.

The words "shredded wheat" have been used constantly and consistently as the generic and only name of the well known pillow-shaped breakfast food. Indeed, the

^{*} Petitioner has designated its biscuits "Kellogg's Whole Wheat Biscuit" and "Kellogg's Shredded Whole Wheat Biscuit". It is assumed, however, that the meaning of the decree below is to enjoin petitioner from using any combination of the two words "shredded" and "wheat" as part of the identifying name of its product.

article cannot be described or differentiated from other wheat biscuits without using the words "shredded wheat" any more than condensed milk can be described or distinguished from other milk products without using the word "condensed". Under these circumstances the law is entirely clear that petitioner may use the name of the article which it produces so long as it clearly indicates that its goods thus named and described are its products and not products of the respondent.

Perhaps the most persuasive evidence that the words shredded wheat are both descriptive and generic is found in the patents of Henry D. Perky, originator of the product and founder of respondent's business, and in other patents owned by respondent. Required to describe the process of manufacture for which patent rights were sought, Perky consistently stated that the fundamental principle of his invention was the reduction of whole wheat grain to "shredded form", "shred-like form", or to "shreds" by forcing the grain through "shredding rolls", "shredding devices", "grain shredding machines" or simply "shredders". One of his inventions was stated to relate "to machines for cutting shredded wheat and other food preparations into regular and uniform sections", another to have as its objective "to provide a cracker of filamentous or shredded wheat or other grain".* Similarly,

* See the following Perky Patents: No. 520,496 (R. 5, p. 5), No. 532,286 (R. 5, p. 11), No. 532,480 (R. 5, p. 15), No. 532,481 (R. 5, p. 21), No. 532,697 (R. 5, p. 25), No. 532,698 (R. 5, p. 29), No. 533,551 (R. 5, p. 33), No. 533,552 (R. 5, p. 37), No. 533,553 (R. 5, p. 41), No. 533,554 (R. 5, p. 45), No. 533,555 (R. 5, p. 49), No. 548,086 (R. 5, p. 59), No. 571,284 (R. 5, p. 65), No. 598,745 (R. 5, p. 77), No. 614,838 (R. 5, p. 81), No. 618,288 (R. 5, p. 87), No. 667,892 (R. 5, p. 91), No. 678,127 (R. 5, p. 109), No. 678,625 (R. 5, p. 121), No. 681,656 (R. 5, p. 135), No. 718,795 (R. 5, p. 169), No. 797,604 (R. 5, p. 201). Quotations from these patents appear in the appendix to petitioner's first petition for certiorari, pp. 28-33.

in the Burbank, House and Webster patents, owned by respondent, the terms "shredded wheat" and "shredded wheat biscuit" are used generically without suggestion that they are trade-names (R. 5, pp. 161, 281-282, 309).

Thus those who invented the process and the product named the product shredded wheat or shredded wheat biscuit. Neither the shreds of wheat nor the biscuit have been known by any other name.

Respondent itself has continually used "shredded", "shredded wheat" and "shredded wheat biscuit" in a descriptive and generic sense on its cartons and in its advertising and has consistently sought to impress upon the public that the particular virtue of its biscuit results from the shredding process and that it is a shredded wheat biscuit. Thus it has repeatedly stated that its biscuit is "made light and short by mechanical shredding", that it is made digestible by "steam cooking, shredding and baking", that "the crispness of its shreds promotes thorough mastication", that "It's All In The Shreds", that its product is "The Original Shredded Wheat" and that "Any other shredded wheat . . . is merely a poor imitation of the only Original Shredded Wheat." Millions of booklets entitled "Shreds of Life" and "Health in Every Shred" have been distributed. Millions of newspaper and periodical readers have been told that respondent's biscuit is whole wheat "shredded and baked", that it is in the form of "crisp, oven-baked shreds", and that Triscuit, a compressed shredded wheat cracker marketed by respondent, is a "shredded wheat toast", "shredded wheat wafer", and a "shredded whole wheat cracker".

The foregoing and other typical excerpts from respondent's cartons and advertisements have been quoted and discussed at pages 12-16, *supra*; further repetition is unnecessary here. It suffices that the effect of all this advertising, as stated by Colonel DeWeese, respondent's former advertising manager, has been to make shredded wheat "a sort of household word, as if one would speak

of starch or potatoes as differentiated or distinguished from proprietary foods like Grape-Nuts or Mello-Wheat" (see p. 15, *supra*). Needless to say, household words like starch, potatoes or shredded wheat cannot be appropriated as a trade-mark by anyone.

On a similar record, the Privy Council in *Canadian Shredded Wheat Co., Ltd. v. Kellogg Co. of Canada, Ltd., and another*, p. 136, *infra*, concluded that "The plaintiff company [respondent's Canadian subsidiary] was in fact using the words shredded wheat to indicate the thing, not the manufacturer, to indicate the stuff of which the biscuits were composed, not who made them." And in the *British Trade-Mark Case* (p. 146, *infra*) the English Court of Appeal reached the same conclusion from a consideration of the cartons and advertisements of respondent's English subsidiary, which were similar to those of respondent, stating: "The carton is wholly inconsistent with the possibility of the words 'Shredded Wheat' having up to 1926 become the Respondents' trade mark and distinctive of their goods. A considerable mass of advertisements issued by the Respondents was in evidence; and so far from those advertisements indicating that prior to 1926 the words 'Shredded Wheat' were used by the Respondents as a trade mark those advertisements confirm the evidence of the carton that the Respondents used the words 'Shredded Wheat' as the name of the product." Indeed, on the appeal of that case, respondent's counsel specifically abandoned any contention that the words did not have direct reference to the character or quality of respondent's product (p. 144, *infra*).

Equally cogent evidence of the descriptive and generic nature of the name of respondent's product is furnished by respondent's trade-mark registrations. Its trade-mark registration No. 89,071 (R. 4, p. 199) on the picture of its factory states that the mark had been adopted for "shredded wheat, in class 46, Foods and ingredients of foods" and expressly disclaims the descriptive words

"The Home of Shredded Wheat". Similarly, respondent's registration No. 85,186 of an alleged trade-mark showing one shredded wheat biscuit in a dish with a spoon and milk or cream (R. 4, p. 197) contains the disclaimer: "no claim being made to the representation of a shredded wheat biscuit".

Earl T. Oakes, respondent's chief chemist and former production manager of the Shredded Wheat Bakeries, in describing the process of manufacturing the biscuits, used the words "shreds", "shredded", "shredding", "shredders", "reshredded", "re-shredding", "shredded wheat" and "shredded whole wheat" in a descriptive sense more than eighty times in some thirty-five pages of testimony (R. 1, pp. 259-294). The testimony of Edwin L. Wallace, managing director of respondent's English plant (R. 1, pp. 316-324), is to the same effect as that of Oakes in this respect.

But perhaps the ultimate test of the nature of the words as descriptive or generic is the manner in which they are used by the public. One of respondent's witnesses, a wholesale grocer, testified (R. 1, pp. 666-667, 669):

"* * * If anybody asked me what a shredded wheat biscuit was, I would describe it as a pillow-shaped biscuit, made out of whole wheat in shredded form. When I speak of being familiar with shredded wheat, I mean that type of biscuit, a shredded whole wheat biscuit in pillow-shaped form. * * *

"I know that the current name of a product like Uneda Biscuit is soda cracker and rolled oats is oat-meal. There could not be any other name than shredded wheat biscuit or shredded wheat to describe Shredded Wheat, that product. Any other name that could be used for this whole wheat biscuit would not describe it, but shredded wheat or shredded wheat biscuit does describe it exactly.

"* * * As I understand, there are two brands of shredded wheat biscuit. I wish to be understood as testifying that Kellogg is making a shredded wheat biscuit similar to the Shredded Wheat."

Witness after witness testified to the same effect. Wholesale grocers, retail grocers and consumers alike used the words shredded wheat in a generic sense, described the article as made of wheat which has been shredded, and stated that they knew of no other name for the article than shredded wheat or shredded whole wheat. References to the testimony of over one hundred of these witnesses is contained in the footnote.* For the convenience of the Court typical excerpts from this testimony, each of which could be multiplied almost indefinitely, are set forth in Appendix D, pages 121-125, *infra*.

More than a score of witnesses testified that whole wheat biscuit might be any one of several kinds of biscuit and unless it was called shredded whole wheat biscuit no one would know what it was (see p. 24, *supra*).

The same usage is found in governmental and institutional invitations for bids. These invitations to bid call for both petitioner's "Whole Wheat Biscuit" and respondent's biscuit under names such as "Shredded Wheat", "Wheat, shredded" and "Whole Wheat, Shredded"; they frequently specify that the wheat must be "drawn into fine shreds, formed and baked in oblong biscuits" (see p. 34, *supra*).

In addition to all this evidence, it should be noted that respondent in effect admitted the generic and descriptive nature of the name by its attempted registration of

* R. 1, pp. 302, 345, 351, 352, 354, 361, 370, 372, 386, 400, 403, 404, 408, 413, 415, 419, 420, 422, 425, 426; 430, 434, 436, 439, 441, 445, 449, 454, 457, 458, 462, 463, 465, 471, 473, 478, 488, 511, 518, 521, 526, 529, 530, 536, 544, 547-548, 617, 628, 631-632, 637, 646, 666, 682, 697-698; R. 2, pp. 704-705, 722, 730, 733, 740, 749-750, 788, 794, 799, 803-804, 816, 822-824, 833, 842, 851, 863, 880, 887, 894, 903, 909, 929, 962, 984-985, 1134, 1181, 1197, 1211-1212, 1216, 1226, 1231, 1238, 1241, 1245, 1249, 1259, 1263, 1264, 1273, 1275, 1292-1293, 1298, 1306, 1348, 1352, 1353, 1367; R. 3, pp. 1388, 1396-1398, 1422, 1459, 1464, 1501-1502, 1542-1543, 1615, 1618, 1656, 1741, 1754, 1760, 1796, 1802, 1816, 1881.

"Shredded Whole Wheat" as a trade-mark under the so-called ten-year clause of the Trade-Mark Act of 1905, which registration was refused in *Natural Food Co. v. Williams*, 30 App. D. C. 348 (see pp. 10-11, *supra*). This Act provides for the registration of distinctive marks no matter how long used, but prohibits the registration of non-distinctive marks unless used exclusively by the applicant or its predecessors for ten years prior to 1905. Filing of the application under the ten-year clause, therefore, was a clear admission that the words are not a technical trade-mark capable of exclusive appropriation at common law (*Thaddeus Davis & Co. v. Davis*, 233 U. S. 461, 465) but are, in the words of the statute, "descriptive of the goods with which they are used; or of the character or quality of such goods" (33 Stat. 725, ch. 592, 15 U. S. C. A. § 85).

The same is true with respect to respondent's two registrations of "Shredded Wheat" as a trade-mark under the Act of 1920 (see pp. 11-12, *supra*). This Act (41 Stat. 522, 15 U. S. C. A. § 121) provides for the registration of marks which are not capable of registration under the 1905 Act. Registration under the 1920 Act, therefore, like registration under the ten-year clause of the 1905 Act, is an admission that the words registered are not distinctive or capable of exclusive appropriation as a common law trade-mark, but are descriptive or generic or both.

It should be noted that registration under the 1920 Act, unlike that under the 1905 Act, creates no presumption of validity or ownership. The purpose of allowing registration of descriptive and generic words under the 1920 Act was to enable manufacturers to comply with legislation in foreign countries, which necessitates registration in the United States as a necessary prerequisite to foreign registration. The 1920 Act has no effect on the domestic rights of anyone. *Charles Broadway Rouss, Inc. v. Winchester Co.*, 300 Fed. 706 (C. C. A. 2), cert. den. 266 U. S.

607; *Kellogg Company v. National Biscuit Company*, 71 F. (2d) 662 (C. C. A. 2).

Finally, the descriptive nature of the name shredded wheat has been the subject of judicial determination. In *Natural Food Co. v. Williams*, *supra*, the Court of Appeals for the District of Columbia, refusing respondent's application for registration of "Shredded Whole Wheat" under the ten-year clause of the 1905 Act, expressly declared that these words "accurately and aptly describe an article of food" and that "they are descriptive within the meaning of the statute". The same ruling was made, on a record similar to that in the case at bar, by two Canadian courts and by the Privy Council in *Canadian Shredded Wheat Company, Ltd. v. The Kellogg Co. of Canada, Ltd. and another*, page 125, *infra*, and by the English Court of Appeal in the *British Trade-Mark Case*, page 143, *infra*.*

The court below, in its opinion on reargument, disregarded all of the proof, admissions and authorities adverted to above and held that, because the wheat is rolled or mashed rather than cut or torn during the process of manufacture, the name "Shredded Wheat" is not descriptive but at most merely suggestive (R. 3-A, p. 2086). This ruling is, we submit, based on the false premises that descriptive words are only such as describe the process of manufacture rather than the product itself, that the descriptiveness of words is to be tested by their strict etymological meaning rather than by the meaning established by common usage and understanding, and that "shredded" means only something which has been torn or cut.

* The opinions in the *Natural Food Company* and *Canadian Shredded Wheat Company* cases, as well as the opinion of the Circuit Court of Appeals for the Second Circuit in the *Humphrey Cornell* case, consistently use the words shredded wheat and shredded wheat biscuit in a generic and descriptive sense. See also *Sanitas Nut Food Co. v. Voigt*, 139 Fed. 551 (C. C. A. 6).

In support of its position respondent cited to the court below several dictionary references to prove that the verb "shred" means to tear or to cut into small strips. If this were a battle of lexicons we could refer to the Century and Oxford dictionaries as defining the word "shredded" by describing the product shredded wheat. See also Webster's International Dictionary. But this case does not turn upon etymological accuracy but rather upon the primary descriptive sense in which the words used are understood by the public. *Computing Scale Co. v. Standard Computing Scale Co.*, 118 Fed. 965, 969 (C. C. A. 6); *Bröoten v. Oregon Kelp Ore Products Co.*, 24 F. (2d) 496, 497 (C. C. A. 9); *Pennsylvania Salt Manuf'g Co. v. Myers*, 79 Fed. 87, 89-90 (E. D. Mo.); *Pearsons Bros. & Co. v. John Gillespie & Co.*, 15 R. P. C. 57, 61 (Privy Council). "A word means what people understand it to say and there is an end of it." *Coty v. LeBlume Import Co.*, 292 Fed. 264, 266 (S. D. N. Y.).

The significant fact, therefore, is that the respondent has consistently described its process as shredding and its product as shredded and the public has come to understand that the biscuits are made of shredded wheat. Of the multitude of witnesses who were asked to state their conception of the nature of respondent's product, all but one testified that they considered it to be a biscuit consisting of wheat which had been shredded.* For purposes of this case, therefore, the process of manufacturing the biscuits must be taken to be a shredding process. *Kellogg Toasted Corn Flake Co. v. Quaker Oats Co.*, 235 Fed. 657, 660 (C. C. A. 6); *Franklin Knitting Mills, Inc. v. Fashionit Sweater Mills, Inc.*, 297 Fed. 247, 248 (S. D. N. Y.), aff'd without opinion, 4 F. (2d) 1018 (C. C. A. 2).

* The only exception was James F. Bell (R. 2, pp. 949-950), president of one of petitioner's large competitors, who testified that he would call the biscuit a vermicelli-formed wheat product rather than a shredded wheat product.

The court below was clearly in error in holding that descriptive words are only those which describe the process of manufacture and not those which describe the product itself. The language of the Trade-Mark Act of 1905 is directly contrary to this ruling. That statute forbids registration of words which "are descriptive of the goods with which they are used, or of the character or quality of such goods" (33 Stat. 725, 15 U. S. C. A., § 85). Innumerable words have been held to be descriptive which aptly describe the product but which have no reference to the process of its manufacture. See, *e. g.*, *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446 ("Ruberoid"); *Beckwith v. Commissioner of Patents*, 252 U. S. 538 ("Moistair Heating System"); *Computing Scale Co. v. Standard Computing Scale Co.*, *supra* ("Computing"); *Marvel Co. v. Pearl*, 133 Fed. 160 (C. C. A. 2) ("Whirling Spray"); *McKesson & Robbins, Inc. v. Phillips Chemical Co.*, 53 F. (2d) 342, 1011 (C. C. A. 2) ("milk of magnesia"). In *Parsons Bros. & Co. v. John Gillespie & Co.*, *supra*, "Flaked Oatmeal" was held to be descriptive of oatmeal in the form of flakes, though made by a process of rolling or crushing. And in *Coty v. LeBlume Import Co.*, *supra*, the word "Origan" was held to be descriptive of a perfume having the scent known by that name, even though containing no origan.

There can be no dispute that shredded wheat is made of shreds of wheat and is accurately and aptly described as shredded wheat. This has been the assertion of respondent for over forty years and is the universal understanding of the public.

The court below in holding that the term "shredded wheat" is not descriptive relied in part upon the registration of the term under the trade-mark laws of various states and foreign countries (R 3-A, p. 2087). Mere registration under state laws has no evidentiary significance because in none of the states is there any such

procedure as that followed by the Patent Office to examine the character and validity of the trade-mark itself.* Wherever there has been responsible consideration and determination of the question the term has been held to be descriptive and generic. *Natural Food Co. v. Williams*, 30 App. D. C. 348; *Canadian Shredded Wheat Co., Ltd. v. The Kellogg Co. of Canada, Ltd. and another*, p. 125, *infra*; *British Trade-Mark Case*, p. 143, *infra*.

B. Since "shredded wheat" is the descriptive, generic and only name of the article, no injunction may be granted against its use by the petitioner.

A trade-mark is "a distinctive mark of authenticity, through which the products of particular manufacturers . . . may be distinguished from those of others." It may consist in any symbols or in any form of words, but as its office is to point out distinctively the origin or ownership of the articles to which it is affixed, it follows that no sign or form of words can be appropriated as a valid trade mark, which from the nature of the fact conveyed by its primary meaning, others may employ with equal truth, and with equal right, for the same purpose." *Elgin Nat'l Watch Co. v. Illinois Watch Co.*, 179 U. S. 665, 673. See also *Canal Co. v. Clark*, 13 Wall. 311, 323-324; *Manufacturing Co. v. Trainer*, 101 U. S. 51, 53-54; *Lawrence Manufacturing Co. v. Tennessee Manufacturing Co.*, 138 U. S. 537, 546; *Brown Chemical Co. v. Meyer*, 139 U. S. 540, 542; *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446, 453; *Beckwith v. Commissioner of Patents*, 252 U. S. 538, 543-544; *Warner & Co. v. Lilly & Co.*, 265 U. S. 526, 531.

It follows that respondent's claim of trade-mark infringement is entirely without merit. The claim of exclusive right to use the product name is equally without foundation in the law of unfair competition. A descriptive

* *Derenberg, Trade-Mark Protection and Unfair Trading*, p. 477.

or generic name is entitled to protection in an unfair competition case if, and only if, (1) it has acquired a "secondary meaning", i. e., it has come to signify the source of manufacture of an article rather than the article itself, and (2) it has been so used by the defendant as to cause passing off or as to create a likelihood thereof. Moreover, even if these factors be established, no absolute injunction will be granted but protection will be limited to requiring the defendant to do what petitioner has always done, namely to mark its goods so as to show that they are made by it and not by the complainant. *Canal Co. v. Clark*, 13 Wall. 311; *Manufacturing Co. v. Trainer*, 101 U. S. 51; *Goodyear Co. v. Goodyear Rubber Co.*, 128 U. S. 598; *Lawrence Mfg. Co. v. Tennessee Mfg. Co.*, 138 U. S. 537; *Brown Chemical Co. v. Meyer*, 139 U. S. 540; *Elgin Nat'l Watch Co. v. Illinois Watch Co.*, 179 U. S. 665; *Howe Scale Co. v. Wyckoff, Seamans & Benedict*, 198 U. S. 118; *Herring-Hall-Marvin Safe Co. v. Hall's Safe Co.*, 208 U. S. 554; *Saxlehner v. Wagner*, 216 U. S. 375; *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446; *Waterman Co. v. Modern Pen Co.*, 235 U. S. 88; *Hanover Milling Co. v. Metcalf*, 240 U. S. 403; *Beckwith v. Commissioner of Patents*, 252 U. S. 538; *Warner & Co. v. Lilly & Co.*, 265 U. S. 526; *Du Pont Cellophane Co. v. Waxed Products Co.*, 85 F. (2d) 75 (C. C. A. 2), cert. den. 299 U. S. 601, 82 L. ed. 1041; *Reddaway v. Banham*, [1896] A. C. 199, 13 R. P. C. 218; *Parsons Bros. and Co. v. John Gillespie and Co.*, 15 R. P. C. 57; *The Cellular Clothing Co. v. Maxton & Murray*, [1899] A. C. 326, 16 R. P. C. 397.*

* See also *Computing Scale Co. v. Standard Computing Scale Co.*, 118 Fed. 965 (C. C. A. 6); *Hygienic Fleeced Underwear Co. v. Way*, 137 Fed. 592 (C. C. A. 3); *Brooten v. Oregon Kelp Ore Products Co.*, 24 F. (2d) 496 (C. C. A. 9); *Fawcett Publications v. Popular Mechanics Co.*, 80 F. (2d) 194 (C. C. A. 3); *Standard Oilshares v. Standard Oil Group*, 17 Del. Ch. 113, 150 Atl. 174.

The record in this case falls far short of establishing that "shredded wheat" has acquired a secondary meaning.* The doctrine of secondary meaning was first established in *Reddaway v. Banham*, *supra*, the famous "Camel-hair Belting" case. The plaintiff in that case used the word "Camel-hair" as the trade-name for its belting, which was in fact made of camel's hair but was not known by the public to be so made. The proof established that the words "did not mean in the market belting made of a particular material, but belting made by a particular manufacturer." Because the name had thus acquired a secondary meaning to the exclusion of its primary meaning, use of the name by the defendant, without distinguishing words showing the source of manufacture, would inevitably lead consumers to believe that defendant's goods were of plaintiff's make. An injunction was therefore granted, not absolutely forbidding use of the words, but restraining the defendant from using them "in such a manner as to deceive purchasers into the belief that they were purchasing belting of plaintiff's manufacture, and from thereby passing off their goods as the plaintiff's." The opinion of the House of Lords is well summarized in the words of the Lord Chancellor: "For myself, I believe the principle of law may be very plainly stated, and that is that nobody has any right to represent his goods as the goods of somebody else."

The finding of the court below that the name "shredded wheat" has acquired a secondary meaning because "it has come to stand for the article itself" (R. 3-A, pp. 2087,

* Upon a similar record, the Privy Council so held in *Canadian Shredded Wheat Co., Ltd. v. Kellogg Co. of Canada and another*, pp. 133-140, *infra*. See also *British Trade-Mark Case*, pp. 146-147, *infra*.

** The distinction between the case at bar and *Reddaway v. Banham* is clearly presented in the opinion of the Privy Council in *Canadian Shredded Wheat Co., Ltd. v. Kellogg Company of Canada and another*, at pp. 140-141, *infra*.

2089) reveals an extraordinary misconception. The fact is that it has always stood for the article itself and in no sense as indicating its source. It is purely a product name and cannot serve as a mark indicating manufacture by respondent. The proof in this case, as analyzed above (pp. 74-78, *supra*), shows that, although during respondent's former monopoly shredded wheat was generally known as respondent's product so long as it was the only manufacturer, these words were always used as the only name of the product and retained their primary meaning as the only product name. As the Privy Council stated in the *Canadian Shredded Wheat Company* case (p. 139, *infra*), it would "be passing strange if they had acquired such a [secondary] meaning, for it would be a meaning directly contrary to the sense in which those words had been put forward to the public by the plaintiff company in its cartons and advertisements."

Secondary meaning is not established by mere proof that during respondent's monopoly shredded wheat was used by consumers to denote its biscuit, because there was then no other shredded wheat product to which those words could apply. This is made entirely clear.

* In the *British Trade-Mark Case* (p. 146, *infra*) the court stated: "The new evidence brought before this Court thus makes it, in our judgment, reasonably clear that up to 1926 the words 'Shredded Wheat' were not used by the Respondents as distinctive of their goods but were used by the Respondents as the name of the product. It was not suggested that the product made according to Perky's patents was ever known by any name but that of 'Shredded Wheat' and since 'Shredded Wheat' was thus used as the name of the product clear evidence would be required to establish that a secondary distinctive meaning had been acquired by the word. Furthermore it is not easy to see how such a distinctive meaning could have come into being unless there were rival producers of the same article in the market. There was no evidence that any such rivals were in the market, at all events to any substantial extent, before the 5th March, 1929."

in the leading case of *The Cellular Clothing Company v. Maxton & Murray, supra*, where a similar situation was involved. During the course of his opinion in the House of Lords, Lord Davey made the following statement, which has since been repeatedly quoted (16 R. P. C. at 409, 410):

"The other observation which occurs to me is this, that where a man produces, or invents if you please, a new article, and attaches a descriptive name to it, a name which, as the article has not been produced before, has of course not been used in connection with the article, and secures for himself either the legal monopoly or a monopoly in fact of the sale of that article for a certain time, the evidence of persons who come forward and say that the name in question suggests to their minds and is associated by them with the Plaintiffs' goods alone, is of a very slender character, for this very simple reason, because the Plaintiff was the only maker of the goods during the time that his monopoly lasted, and therefore there was nothing to compare with it, and anybody who wanted the goods had no shop to go to, and no merchant or manufacturer to resort to except the Plaintiff. Of course, my Lords, that is a matter of express decision in the case of a Patent. If a man invents a new article and protects it by a Patent, then, during the term of the Patent, he has of course a legal monopoly, but when the Patent expires all the world may make the article, and if they may make the article they may say that they are making the article, and for that purpose use the name which the Patentee has attached to it during the time when he had the legal monopoly of the manufacture. But, my Lords, the same thing in principle must apply where a man has not taken out a Patent, as in the present case, but has a virtual monopoly because other manufacturers, although they are entitled to do so, have not in fact commenced to make the article. He brings the article before the world, he gives it a name descriptive of the article—all the world may make the article, and all the world may tell the public what article it is they make, and for that purpose they may *prima facie* use the name by which the article is known in the market."

See also *Parsons Bros. & Co. v. John Gillespie & Co.*, 15 R. P. C. 57 (Privy Council); *Kellogg Toasted Corn Flake Co. v. Quaker Oats Co.*, 235 Fed. 657 (C. C. A. 6); *Fels v. Christopher Thomas & Brothers, Ltd.*, 21 R. P. C. 85; *S. Chivers & Sons v. S. Chivers & Co., Ltd.*, 17 R. P. C. 420.

But even if secondary meaning were established, respondent would be entitled to no relief unless it were also shown that petitioner had so used the words as to cause purchasers to believe that its product was of respondent's manufacture, and then only to the extent of requiring petitioner to mark its goods so as clearly to indicate that it is the manufacturer. See authorities cited at page 84, *supra*. The record shows (pp. 22-25, 36, *supra*) that the petitioner has always marketed its biscuit under its own distinctive name and in its own distinctive cartons, and that no purchaser seeing its cartons or its product has been or could be deceived as to their origin.* Irrespective of "secondary meaning", therefore, respondent's case is utterly lacking in factual foundation.

The basic rule is well stated in *Saxlehner v. Wagner*, 216 U. S. 375. In that case the plaintiff, who sold mineral water under the name "Hunyadi Janos", sought to enjoin the defendant from marketing a non-mineral water, similar in taste, under the name "W. T. Wagner's Sons Artificial Hunyadi Janos". This Court, holding that the name "Hunyadi" was the generic name of natural water of a

* The criterion of deception is, of course, whether ordinary attention by the purchaser would enable him at once to distinguish the products. *McLean v. Fleming*, 96 U. S. 245; *Howe Scale Co. v. Wyckoff, Seamans & Benedict*, 198 U. S. 118; *Columbia Mills Company v. Alcorn*, 150 U. S. 460. Deception of the indifferent or careless, even if it were shown, would be immaterial. *P. Lorillard Co. v. Peper*, 86 Fed. 956 (C. C. A. 8), cert. den. 171 U. S. 690; *Postum Cereal Co. v. American Health Food Co.*, 119 Fed. 848 (C. C. A. 7); *Jamieson & Co. v. Jamieson*, 15 R. P. C. 169.

certain type coming from Hungary, refused relief. Mr. Justice Holmes stated (216 U. S. at pp. 380-381):

"We see no reason for disturbing the finding of the courts below that there was no unfair competition and no fraud. The real intent of the plaintiff's bill, it seems to us, is to extend the monopoly of such trade-mark or trade name as she may have to a monopoly of her type of bitter water, by preventing manufacturers from telling the public in a way that will be understood what they are copying and trying to sell. But the plaintiff has no patent for the water, and the defendants have a right to reproduce it as nearly as they can. They have a right to tell the public what they are doing and to get whatever share they can in the popularity of the water by advertising that they are trying to make the same article and think that they succeed. If they do not convey, but, on the contrary, exclude the notion that they are selling the plaintiff's goods, it is a strong proposition that when the article has a well-known name they have not the right to explain by that name what they imitate. By doing so they are not trying to get the good will of the name, but the good will of the goods. See *Flagg Manufacturing Co. v. Holway*, 178 Massachusetts, 83, 91; *Chadwick v. Covell*, 151 Massachusetts, 190, 191. Although the application is different, the principle seems to be similar to the rule that when a patent has expired descriptive words or even an arbitrary or personal name by which it has become known may be used if sufficient precautions are taken to prevent the public from being deceived. See *Singer Manufacturing Co. v. June Manufacturing Co.*, 163 U. S. 169."

Similarly in *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446, the plaintiff, manufacturer of a roofing material sold under the name of "Ruberoid", sought an injunction against the sale by defendant of a similar roofing material under the name "Rubbero". This Court held that "Ruberoid" was a descriptive word and therefore not subject to appropriation as a technical trade-mark, stating: "A public right in rubberoid and a private

monopoly of rubberoid cannot coexist." (220 U. S. at p. 453). With respect to the unfair competition aspect of the case, it was pointed out that the color, design and general appearance of the labels and markings on the packages used by the defendant were so different from those used by the plaintiff as to preclude any likelihood of passing off. Relief was therefore denied, the Court saying (pp. 461-462):

" . . . The only imitation by the Asphalt Company of the roofing of the Paint Company is that which exists in the use of the word 'rubbero,' and this only by its asserted resemblance to the word 'rubroid.' To preclude its use because of such resemblance would be to give to the word 'rubroid' the full effect of a trade-mark, while denying its validity as such. It is true that the manufacturer of particular goods is entitled to protection of the reputation they have acquired against unfair dealing, whether there be a technical trade-mark or not, but the essence of such a wrong consists in the sale of the goods of one manufacturer or vendor for those of another. *Elgin National Watch Co. v. Illinois Watch Co., supra.* Such a wrong is not established against the Asphalt Company. It does not use the word 'rubbero' in such a way as to amount to a fraud on the public."

The many authorities cited at page 84, *supra*, are all to the same effect.

The *Canadian Shredded Wheat Company* case (p. 125, *infra*) is precisely analogous to the case at bar. In principle so also are *Kellogg Toasted Corn Flake Co. v. Quaker Oats Co.*, 235 Fed. 657 (C. C. A. 6) and *Parsons Bros. & Co. v. John Gillespie & Co.*, 15 R. P. C. 57 (Privy Council). In the first of these cases, the plaintiff, manufacturer of "Kellogg's Toasted Corn Flakes", sought to enjoin the defendant from marketing a similar article under the name "Quaker Toasted Corn Flakes". The cartons employed by the defendant were strikingly different in appearance from those of the plaintiff. In an exhaustive opinion, in which most of the questions here involved were considered, the court held that the words were descriptive and therefore not sub-

ject to exclusive appropriation by the plaintiff, and that, since the defendant had sold its goods in distinctive packages, no injunction of a limited nature could be granted. The same ruling was made by the Privy Council in the *Parsons Bros.* case with respect to "Flaked Oatmeal".

The underlying conception of all these cases is that if the first producer in the field could acquire an exclusive right to the descriptive and generic name of the article by adopting it as the trade-name of his product, he could frequently monopolize the trade in that article. Competition must often be crippled if competitors have not the right to tell the public precisely what article they are marketing. This principle was forcefully stated by this Court in *Caval Co. v. Clark*, 13 Wall. 311, 322-324, in a passage which has since been reiterated in many cases:

" * * * No one can claim protection for the exclusive use of a trade-mark or trade-name which would practically give him a monopoly in the sale of any goods other than those produced or made by himself. If he could, the public would be injured rather than protected, for competition would be destroyed. Nor can a generic name, or a name merely descriptive of an article of trade, of its qualities, ingredients, or characteristics, be employed as a trade-mark and the exclusive use of it be entitled to legal protection. As was said in the well-considered case of *The Amoskeag Manufacturing Company v. Spear*, 2 Sandford's Supreme Court, 599, 'the owner of an original trade-mark has an undoubted right to be protected in the exclusive use of all the marks, forms, or symbols, that were appropriated as designating the true origin or ownership of the article or fabric to which they are affixed; but he has no right to the exclusive use of any words, letters, figures, or symbols, which have no relation to the origin or ownership of the goods, but are only meant to indicate their names or quality. He has no right to appropriate a sign or a symbol, which, from the nature of the fact it is used to signify, others may employ with equal truth, and therefore have an equal right to employ for the same purpose.' "

See also *Goodyear Co. v. Goodyear Rubber Co.*, 128 U. S. 598; *Lawrence Manufacturing Co. v. Tennessee Manufacturing Co.*, 138 U. S. 537; *Brown Chemical Co. v. Meyer*, 139 U. S. 540; *Elgin Nat'l Watch Co. v. Illinois Watch Co.*, 179 U. S. 665; *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446; *Warner & Co. v. Lilly & Co.*, 265 U. S. 526.

The doctrine of the *Canal Co.* case applies with peculiar force in the case at bar where the name is the only name of the product and is essential to any adequate description of it.

Some of the lower federal courts and some English courts have, in a few exceptional cases, granted an absolute injunction against use by the defendant of a descriptive or geographical name which had acquired a secondary meaning indicating manufacture by the plaintiff. *Wotherspoon v. Currie*, [1872] L. K. 5, H. L. 508 ("Glenfield" as applied to starch made at Glenfield); *Thompson v. Montgomery*, 41 Ch. Div. 35, 8 R. P. C. 361 ("Stone" as applied to ale made at Stone); *Photoplay Publishing Co. v. LaVerne Publishing Co.*, 269 Fed. 730 (C. C. A. 3) ("Photoplay" as applied to a movie magazine);* *Barton v. The Rex Oil Co.*, 29 F. (2d) 474 (C. C. A. 3) ("Dyanshine" as applied to shoe polish);* *Scandinavia Belting Co. v. Asbestos & Rubber Works*, 257 Fed. 937 (C. C. A. 2) ("Scandinavia" as applied to

*In *Fawcett Publications v. Popular Mechanics Co.*, 80 F. (2d) 194 (C. C. A. 3), doubt was thrown on the decisions in *Photoplay Publishing Co. v. LaVerne Publishing Co.* and *Barton v. The Rex Oil Co.* by the very court which decided them. The court stated (p. 197): "It may be that the decrees went too far in absolutely enjoining the use of the descriptive words in the Photoplay and Dyanshine Cases for the reason that being descriptive words they could not be exclusively appropriated." Despite this fact, the *Dyanshine* decision was relied upon by this same court in its opinion on reargument in the case at bar (R. 3-A, p. 2069).

brake linings made in the United States); *Trappey v. McIlhenny Co.*, 281 Fed. 23 (C. C. A. 5) ("tabasco" as applied to pepper sauce). In all of these cases the proof showed (1) that the defendant had a fraudulent intent, (2) that the defendant's goods had been purchased as and for those of the plaintiff, (3) that deception of the public could only be prevented by an absolute injunction and (4) that the geographical or descriptive significance of the name enjoined was either incidental or commercially unnecessary, *i. e.*, that other words were available which were equally descriptive of the article as the words enjoined.*

For example, in *Wotherspoon v. Currie*, *supra*, the plaintiff sold a well known product under the name "Glenfield Starch". The defendant used the same name for starch made by him at Glenfield. It clearly appeared that defendant was attempting to trade upon the good will of the plaintiff and had selected Glenfield as the place of manufacture and as a trade-name for the sole purpose of consummating the fraud. Glenfield was a place with sixty inhabitants, not even large enough to constitute a village. The House of Lords, finding that the name as applied to starch had no real geographical connotation but signified only the goods of the plaintiff, granted an absolute injunction against use of the name. But compare *Clark, Son & Morland, Ltd.'s Trade Mark*, 1938, Vol. 2, All England Law Rep. Ann. 377. See also *Thompson v. Montgomery*, *supra*, and *Scandinavia Belting Co. v. Asbestos & Rubber Works*, *supra*.

* Moreover, none of these cases involved the name of a patent-expired article except the *Scandinavia* case and there the name, which the court held had not become generic during the life of the expired patent, had been used exclusively by the plaintiff for more than ten years after the expiration of the patent and prior to 1905 and was therefore properly registered under the ten-year clause of the Trade-Mark Act of 1905.

In *Barton v. The Rex Oil Co.*, *supra*, a decision subsequently criticized by the very court which rendered it,* the manufacturer of a shoe polish known as "Dyanshine" sought to enjoin the defendant from using the words "Dye and Shine" as the name of its shoe polish. At the first hearing of the case, relief was limited to a requirement that defendant state that its product was not the product made by the plaintiff. On rehearing, however, it was established that this form of relief was ineffective to prevent passing off, and an absolute injunction against use of the words as a trade-name was granted. See also *Photoplay Publishing Co. v. LaVerne Publishing Co.*, *supra*.

The significant fact about all of these cases is that the words enjoined were not in any sense commercially indispensable to free and fair competition in the article to which they were applied. Their adoption by the defendant in each case was for the purpose of trading on the plaintiff's reputation and in each case the court believed that consummation of the fraud could not be prevented except by an absolute injunction.

These decisions obviously have no application to a generic and descriptive name which is commercially indispensable if the public is to be told what the article is and what it is made of. No case has been cited or found in which an absolute injunction against the use of such a name has been granted. The authorities are unanimous that no such relief can be afforded.**

* See footnote, page 92, *supra*.

** *Saxlehner v. Eisner & Mendelson Co.*, 179 U. S. 19; *The French Republic v. Saratoga Vichy Spring Co.*, 191 U. S. 427; *Saxlehner v. Wagner*, 216 U. S. 375; *Standard Paint Co. v. Trinidad Asphalt Manufacturing Co.*, 220 U. S. 446, aff'g *Trinidad Asphalt Manufacturing Co. v. Standard Paint Co.*, 163 Fed. 977 (C. C. A. 8); *Du Pont Cellophane Co. v. Waxed Products Co.*, 85 F. (2d) 75 (C. C. A. 2), cert. den. 299 U. S. 601, 82 L. ed. 1041; *Amiesite Asphalt Co. v. Interstate Asphalt Co.*, 72 F.

Under all of the authorities, therefore, petitioner, having the right to make the article, likewise has the right to use the only words in the English language which denote and describe the article.

- C. Shredded wheat biscuits produced under respondent's patents were known to the public during the life of the patents only as shredded wheat or shredded wheat biscuits and, upon the expiration of the patents, the right to use these terms to designate the biscuits was dedicated to the public.

The doctrine that no generic name may be exclusively appropriated as a trade-mark applies with peculiar force to a name which, during the life of an expired patent, became the generic designation of the patented product. Ever since the decision of this Court in *Singer Manufacturing Co. v. June Manufacturing Co.*, 163 U. S. 169, it has been established law that, upon the expiration of a patent, there passes to the public the right not only to make the patented article as it was made during the patent period, but also to apply thereto the name by which it then became known, provided only that the name be accompanied by indicia signifying the source of manufacture. *Holzappel's Co. v. Rahtjen's Co.*, 183 U. S. 1; *Merriam Co. v. Syndicate Publishing Co.*; 237 U. S. 618; *The Singer Manufacturing Company v. Loog*, L. R. 8,

(2d) 946 (C. C. A. 3); *Broton v. Oregon Kelp Ore Products Co.*, 24 F. (2d) 496 (C. C. A. 9); *Bayer v. United Drug Co.*, 272 Fed. 505 (S. D. N. Y.); *Horlick's Food Co. v. Elgin Milkine Co.*, 120 Fed. 264 (C. C. A. 7); *Leclanche Battery Co. v. Western Electric Co.*, 23 Fed. 276 (S. D. N. Y.); *The Cellular Clothing Company v. Maxton & Murray*, [1899] A. C. 326, 16, R. P. C. 397; *Linoleum Manufacturing Co. v. Nairn*, 7 Ch. Div. 834. See also *Singer Manufacturing Co. v. June Manufacturing Co.*, 163 U. S. 169 and the other cases cited in the succeeding section of this brief, in which the same rule is applied to the name of a patent-expired product which became generic during the patent monopoly.

App. Cases 15 (House of Lords); *Linoleum Manufacturing Co. v. Nairn*, 7 Ch. Div. 834; *Yale & Towne Manufacturing Co. v. Ford*, 203 Fed. 707 (C. C. A. 3).*

In the *Singer* case, the facts of which have been analyzed at page 67, *supra*, this Court stated the controlling principle as follows (pp. 185-186):

“ * * * It equally follows from the cessation of the monopoly and the falling of the patented device into the domain of things public, that along with the public ownership of the device there must also necessarily pass to the public the generic designation of the thing which has arisen during the monopoly, in consequence of the designation having been acquiesced in by the owner, either tacitly, by accepting the benefits of the monopoly, or expressly by his having so connected the name with the machine as to lend countenance to the resulting dedication. To say otherwise would be to hold that although the public had acquired the device covered by the patent, yet the owner of the patent or the manufacturer of the patented thing had retained the designated name which was essentially necessary to vest the public with the full enjoyment of that which had become theirs by the disappearance of the monopoly. In other words, that the patentee or manufacturer could take the benefit and advantage of the patent upon the condition that at its termination the monopoly should cease, and yet when the end was reached disregard the public dedication and practically perpetuate indefinitely an exclusive right.

“The public having the right on the expiration of the patent to make the patented article and to use its

* See also *Centaur Co. v. Heinsfurter*, 84 Fed. 955 (C. C. A. 8); *Horlick's Food Co. v. Elgin Milkine Co.* 120 Fed. 264 (C. C. A. 7); *Warren Featherbone Co. v. American Featherbone Co.*, 141 Fed. 513 (C. C. A. 7); *Collis Co. v. Consolidated Machine Tool Corporation*, 41 F. (2d) 641 (C. C. A. 8), cert. den. 282 U. S. 886; *Amiesite Asphalt Co. v. Interstate Asphalt Co.*, 72 F. (2d) 946 (C. C. A. 3); *Du Pont Cellophane Co. v. Waxed Products Co.*, 85 F. (2d) 75 (C. C. A. 2), cert. den. 299 U. S. 601, 82 L. ed. 1041; *Leclanche Battery Co. v. Western Electric Co.*, 23 Fed. 276 (S. D. N. Y.).

generic name, to restrict this use, either by preventing its being placed upon the articles when manufactured, or by using it in advertisements or circulars, would be to admit the right and at the same time destroy it. It follows, then, that the right to use the name in every form passes to the public with the dedication resulting from the expiration of the patent."

This principle, as this Court pointed out in its exhaustive opinion, is universally recognized by the American, English and French authorities.

Broadly the *Singer* case is but another application of the underlying principle that generic names of articles which all may sell cannot be exclusively appropriated. It simply applies this doctrine to names which, though distinctive when first adopted, become known as the name of a patented product during the patent monopoly.

This is well illustrated by *Linoleum Manufacturing Co. v. Nairn, supra*, cited with approval by this Court in the *Singer* case. There the plaintiff had patented a new type of floor covering which it called "Linoleum" during the patent period. The court held that after the expiration of the patent everyone had the right to use this name since the article could not be otherwise designated. In this connection the court said. (pp. 836-837):

"* * * It appears, that the Defendants are now minded to make, as it is admitted they may make, that substance: I want to know what they are to call it. That is a question I have asked, but I have received no answer; and for this simple reason, that no answer could be given, except that they must invent a new name. I do not take that to be the law. I think that if '*Linoleum*' means a substance which may be made by the Defendants, the Defendants may sell it by the name which that substance bears.

"* * * In my opinion, it would be extremely difficult for a person who has been by right of some monopoly the sole manufacturer of a new article, and has given a new name to the new article, meaning that new article and nothing more, to claim that

the name is to be attributed to his manufacture alone after his competitors are at liberty to make the same article. It is admitted that no such case has occurred, and I believe it could not occur; because until some other person is making the same article, and is at liberty to call it by the same name, there can be no right acquired by the exclusive use of a name as shewing that the manufacture of one person is indicated by it and not the manufacture of another."

A similar ruling was made by this Court in *Holzappel's Co. v. Rahtjen's Co.*, *supra*. In that case, the plaintiff sold a particular type of ship paint, formerly protected by an English patent, under the name "Rahtjen's Composition", and sought to enjoin the defendant from using those words as part of a trade-name for its similar product. In denying relief, this Court said (pp. 9-10):

"* * * This way of designating the composition was employed by Rahtjen in Germany for his own sales, and Suter, Hartmann & Co. simply copied his method of describing the same. How else could this article thereafter be described? When the right to make it became public, how else could it be sold than by the name used to describe it? And when a person having the right to make it described the composition by its name and said it was manufactured by him, and said it so plainly that no one seeing the label could fail to see that the package on which it was placed was Rahtjen's composition manufactured by Holzappel & Co., or Holzappel's Composition Company (Limited), how can it be held that there was any infringement of a trade-mark by employing the only terms possible to describe the article the manufacture of which was open to all? Of necessity when the right to manufacture became public the right to use the only word descriptive of the article manufactured became public also.

"* * * If any one had desired to use this paint and had called for it in the market, he would necessarily have been compelled to describe it as 'Rahtjen's Composition,' as there was no other name for the

article, and though in England while the patent lasted no one but the patentee or his licensees could manufacture the article, yet the description would still have been 'Rahtjen's Composition;' but when the patent expired the exclusive right to manufacture the article expired with it, while the name which described it became, under the facts of this case, necessarily one of description and did not designate the manufacturers. There was no other name for the article, and in order to obtain it a person would have to describe it by the words 'Rahtjen's Composition.' The words thus became public property descriptive of the article, and the right to manufacture it was open to all by the expiration of the English patent."

The court below recognized that, at the time of the expiration of respondent's patents in 1912, any competitor would have had a right to use "shredded wheat" as the name of its product, but held that this right was lost because of respondent's exclusive use of the words for more than ten years thereafter. This holding, we submit, reveals a complete misconception of the *Singer* doctrine.

The basic principle of the *Singer* case, as above stated, is that no one can monopolize the name of an article which all are free to make. At the expiration of respondent's patents in 1912, the words "shredded wheat" were clearly the name of the article which then became dedicated to the public. There has been no usage since that date which has changed their meaning. The formerly patented product is not known or adequately described by any other name today. Just as no period of exclusive sale of the article after the expiration of a patent can deprive the public of its right to manufacture and sell the formerly patented product, so no period of exclusive use of a product name can deprive the public of its right to call the article by its product name.

The ruling of the court below in this respect is directly contrary to the decision of the Circuit Court of Appeals for the Eighth Circuit in *Centaur Co. v. Heinsfurter*, 84

Fed. 955. There the plaintiff owned a patent on a medical preparation, known as "Castoria" and continued in the exclusive manufacture of the product for ten years after the patent expired. The court nevertheless denied an injunction against the use of the word "Castoria" as applied to the defendant's product which was made in accordance with the disclosure of the expired patent. The court, through Mr. Justice Brewer, stated (p. 958):

"But this matter of time makes no difference. The word had become known as the name of the thing, and as such it could not be appropriated as a trade-mark. * * * As well might a manufacturer of flour claim a trade-mark in the word 'flour', as the manufacturer of 'Castoria' a trade-mark in that name."*

See also *Collis Co. v. Consolidated Machine Tool Corporation*, 41 F. (2d) 641 (C. C. A. 8), cert. denied 282 U. S. 886.

The court below, referring to the ten-year clause of the Trade-Mark Act of 1905, permitting the registration of generic and descriptive names used exclusively for ten years prior to the passage of the Act, held that this provision is merely declaratory "of the equitable doctrine that the exclusive use of a trade-mark by a person for ten years after the expiration of the patent, entitles him to the exclusive use of it thereafter" (R. 3-A, pp. 2091-2092). No cases were cited which support any such proposition. The trade-marks in *Scandinavia Belting Co. v. Asbestos & Rubber Works*, 257 Fed. 937 (C. C. A. 2) and *McKesson & Robbins v. Chas. Phillips Chemical Co.*, 23 F. (2d) 763.

* The validity of the principle applied in the *Castoria* case is not questioned by the decision in *Centaur Co. v. Genesh*, 33 F. (2d) 985, decided in the Western District of Pennsylvania thirty years after Mr. Justice Brewer's decision, because in the later case it was found as a fact that *Castoria* is not and never was the product of the expired Pitcher Patent, although in the original *Castoria* case there was a finding that it was.

(App. D. C.)* were both registered under the Act of 1905 and held to be entitled to such registration under the express provisions of the Act because of exclusive use during ten years prior to the enactment of the statute. The ten-year clause, in contrast with most of the provisions of the federal statutes relating to trade-marks, is in derogation of the principle of the common law that no generic or descriptive term may be employed as a trade-mark, and there is no support to be found in any of the authorities for the ruling that this clause is merely declaratory of any principle in law or in equity which can make effective through exclusive usage for any period of time a trade-mark invalid in its inception because of its descriptive and generic character. The right to individual appropriation of the name once lost is gone forever. This is so regardless of patent expiration. *Saxlehner v. Eisner & Mendelson Co.*, 179 U. S. 19, 36. It follows that the *Centaur* and *Collis* cases, dealing with the effect of patent expiration and holding the rule to be contrary to that stated by the court below, are correct. The ten year clause, being expressly limited in its application to marks exclusively used during the period from 1895 to 1905, cannot be extended by judicial construction to include cases clearly not within its terms.**

Scant attention need be paid to the contention that because the words "shredded wheat" were applied to the

* In this case, registration of the words "milk of magnesia" under the ten-year clause of the 1905 Act was allowed. The registration was subsequently cancelled, however, on the ground that the registrant had not been the exclusive user of the words during the ten-year period. *McKesson & Robbins, Inc. v. Chas. Phillips Chemical Co.*, 53 F. (2d) 342, 1011 (C. C. A. 2), cert. den. 285 U. S. 552.

** Registration of "Shredded Whole Wheat" under the 1905 Act was refused because the words had not been used exclusively as a trade-mark but only as descriptive of the biscuit during the statutory period. *Natural Food Co. v. Williams*, 30 App. D. C. 348. See pp. 10-11, *supra*.

biscuits before the patents were secured, the *Singer* rule does not control this case. Surely respondent is not entitled now to a monopoly of the national market in this product because Perky for a year or two prior to the issuance of his patents sold shredded wheat biscuits (not even under the trade-name "Shredded Wheat") in a small restaurant in Denver. The decision of this Court in *Holzappel's Co. v. Rahtjen's Co.*, *supra*, determines this point. The *Singer* rule was there applied to the words "Rahtjen's Composition" even though that name had been used in connection with the paint before the English patent had been secured. See also *Bayer v. United Drug Co.*, 272 Fed. 505 (S. D. N. Y.). *Batcheller v. Thompson*, 93 Fed. 660 (C. C. A. 2) and *President Suspendor Co. v. MacWilliams*, 238 Fed. 159 (C. C. A. 2), upon which respondent relies, were simply cases where the name, rather than the patent, gave value to the article. Neither name involved in those cases had become known to the public during the patent period as the identifying and generic name of the patented article. These cases are, of course, inapplicable to the facts of the case at bar; even the court below recognized that at the expiration of respondent's patents, "shredded wheat" was the generic name of the article which everyone was then free to use.*

The *Singer* doctrine, as applied to the case at bar, creates no new rights in the petitioner; it simply reinforces what would otherwise be entirely clear, that the petitioner, having the right to manufacture and sell shredded wheat biscuits, has the right to say that it is doing so and for that purpose to use as the name of its

* Moreover, although the Denver sales may have occurred prior to the issuance of Perky's basic product and process patent and his design patent in 1895, application for the basic patent was made in 1894 (R. 5, p. 89) and Perky had secured a patent as early as 1893 (application for which was filed in 1892) which covered the basic principles for the production of shredded wheat (R. 5, p. 3; see also R. 5, p. 9).

product the name of the article which it is producing. The opinion of Lord Chancellor Selborne in *The Singer Manufacturing Company v. Loog*, L. R. 8, App. Cases 15 (House of Lords), the English edition of *Singer Manufacturing Co. v. June Manufacturing Co.*, well summarizes the applicable legal principle (p. 27):

“ * * * The reputation acquired by machines of a particular form or construction is one thing; the reputation of the plaintiffs, as manufacturers, is another. If the defendant has no right, under colour of the former, to invade the latter, neither have the plaintiffs any right under colour of the latter, to claim (in effect) a monopoly of the former. If the defendant has (and it is not denied that he has) a right to make and sell, in competition with the plaintiffs, articles similar in form and construction to those made and sold by the plaintiffs, he must also have a right to say that he does so, and to employ for that purpose the terminology common in his trade, provided always that he does this in a fair, distinct, and unequivocal way.”

POINT IV.

Petitioner's Use of a Pictorial Representation of Its Biscuits on Some of Its Cartons and in Some of Its Advertisements Does Not Constitute Trade-Mark Infringement or Unfair Competition.

In its bill of complaint, respondent prayed for an injunction against the use on some of petitioner's Whole Wheat Biscuit cartons and in some of its advertisements of a pictorial representation of two of petitioner's small size biscuits in a dish of milk (R. 1, p. 25). Although this prayer was not granted by the court below, that court in its opinion on respondent's petition to recall and clarify the mandate stated that it had intended to provide for such an injunction, and added: "Its use on a carton or in adver-

tising matter, when the defendant is not permitted to use the word 'Shredded Wheat' as a trade name or to advertise or sell biscuits in the pillow-shape form, would manifestly be so improper and so likely to mislead that we will assume that the appellee will not use it" (R. 3-A, p. 2285).

If petitioner has no right to make and sell shredded wheat biscuits in the pillow-shaped form, it obviously has no right to place on its cartons a picture of a pillow-shaped biscuit; if, however, it has a right to make the biscuits, it seems entirely clear that it can tell the public what it is making, not only by describing its product verbally through use of the words shredded wheat, but also by describing it visually through pictorial representation.

The illustration used by petitioner obviously is not an infringement of respondent's alleged trade-mark No. 216,593 (R. 4, p. 205), consisting of a picture of a dish containing two of respondent's biscuits immersed in milk or cream. Respondent's application for the registration of this alleged trade-mark disclaimed any exclusive right to the representation of the biscuits "apart from the mark shown on the drawing" (R. 4, p. 205). Comparison of the illustration used by respondent (R. 1, p. 207) with that used by petitioner (R. 1, p. 217) shows no violation as to the bowl or plate which the District Court held petitioner had a right to use (R. 1, p. 228). The disclaimer preserves to all others the right truthfully to represent the biscuits by pictorial illustration except in such manner as to confuse or deceive purchasers. *Beckwith v. Commissioner of Patents*, 252 U. S. 538. Petitioner's illustration is distinguishable from respondent's illustration and no deception or confusion is possible because it is used only as part of the decoration upon petitioner's highly distinctive cartons and in its advertisements in association with its name as manufacturer.

Moreover, the dish picture has been employed by respondent, not as a distinctive trade-mark to indicate origin, but simply as a pictorial description of its product.

For example, respondent's former advertising manager testified that in 1908 the picture theretofore used of a dish containing only one biscuit was changed to the present two-biscuit illustration in order to induce people to eat two biscuits instead of one and thereby to double consumption (R. 1, p. 570; see also R. 1, p. 324). Similarly, in some years during the strawberry season, the biscuit has appeared in the picture in a dish with strawberries and cream; during other seasons it has been shown with bananas, prunes and various other stewed fruits (P. Exs. 87-112). This is obviously not trade-mark use; trade-marks do not alternate with the seasons. Illustrations similarly used, as a pictorial description of the product were held not entitled to trade-mark protection in *Bristol Co. v. Graham*, 199 Fed. 412 (C. C. A. 8), *In re Scholl Manufacturing Co., Inc.*, 267 Fed. 348 (App. D. C.) and *Rit Products Corporation v. Park & Tilford*, 55 F. (2d) 436 (Cust. and Pat. App.).

Petitioner's illustration appears only on the distinctive Kellogg cartons and in advertisements which prominently display the Kellogg name. Therefore, unless it is unfair competition for Kellogg to sell shredded wheat biscuits at all, it cannot be unfair competition for Kellogg to reveal pictorially that it is doing so. *Shredded Wheat Co. v. Humphrey Cornell Co.*, 250 Fed. 960 (C. C. A. 2); *Bristol Co. v. Graham*, 199 Fed. 412 (C. C. A. 8); *Van Kannel Revolving Door Co. v. American Revolving Door Co.*, 215 Fed. 582 (C. C. A. 7).

In *Shredded Wheat Co. v. Humphrey Cornell Co.*, discussed at pages 17-18, *supra*, the defendant sold shredded wheat biscuits in distinctive cartons containing an illustration of its biscuit, which was identical in size and appearance with the respondent's biscuit. The Circuit Court of Appeals for the Second Circuit denied the respondent all relief with respect to the carton trade, holding that the distinctiveness of the defendant's package precluded any possibility of passing off. Similarly, in *Van Kannel Revolving Door Co. v. American Re-*

volving Door Co., supra, the Circuit Court of Appeals for the Seventh Circuit dismissed a bill of complaint seeking to enjoin the defendant from using a cut of a revolving door, similar to one shown in the plaintiff's catalogue, concluding that, "Inasmuch as defendant may now make the door, it may illustrate it in its advertisements" (p. 584). See also *Bristol Co. v. Graham, supra*.

POINT V.

Respondent's Claim to the Exclusive Right to Make the Biscuit in the Pillow-Shaped Form, to Call It By Its Name and to Illustrate It By Pictorial Representation is Without Merit Because of Its Disclaimers of Those Very Rights in Its Trade-Mark Registrations.

As has been pointed out above (p. 11), respondent in three trade-mark registrations expressly disclaimed any exclusive rights in the appearance of the pillow-shaped biscuit and in the descriptive words shredded wheat. Yet this suit seeks, and the decree of the court below conveys, precisely the trade-mark protection which respondent thus disclaimed.

This Court in *Beckwith v. Commissioner of Patents*, 252 U. S. 538, declared that such disclaimers cannot thus be repudiated. In that case a mark consisting of a fanciful design employed in connection with the descriptive words "Moistair Heating System" was registered under the Trade-Mark Act of 1905 and the descriptive words were disclaimed. In the course of its opinion, this Court stated (pp. 545, 546):

"It seems obvious that no one could be deceived as to the scope of such a mark, and that the registrant would be precluded by his disclaimer from setting up in the future any exclusive right to the disclaimed part of it. . . ."

"A disclaimer on the part of applicant that no claim is made to the use of the words 'Moistair Heating System' apart from the mark as shown in the drawing and as described, would preserve to all others the right to use these words in the future to truthfully describe a like property or result of another system, provided only that they be not used in a trade-mark which so nearly resembles that of the petitioner 'as to be likely to cause confusion or mistake in the mind of the public or to deceive purchasers' when applied 'to merchandise of the same descriptive properties'."

Holzappel's Co. v. Rahtjen's Co., 183 U. S. 1, is to the same effect.*

Since respondent has for many years had trade-mark protection only because of its disclaimer of any exclusive right to the name and appearance of its product, it is now precluded from claiming that which it has formally and deliberately renounced in order to secure such protection.

Conclusion.

We respectfully submit that the orders of April 12, 1937 and May 5, 1938 entered by the Circuit Court of Appeals for the Third Circuit should be reversed.

Respectfully submitted,

THOMAS D. THACHER,
W. H. CRICHTON CLARKE,
Solicitors for Petitioner.

RICHARD H. DEMUTH,
E. ENNALLS BERL,
Of Counsel.

* *Cf. Warner-Patterson Co. v. Malcomb*, 39 F. (2d) 274 (Cust. and Pat. App.); *In re Continental Oil Co.*, 75 F. (2d) 217 (Cust. and Pat. App.); *In re Canada Dry Ginger Ale, Inc.*, 87 F. (2d) 736 (Cust. and Pat. App.).

Appendix A.

ANALYSIS OF THE OBJECTIONS TO EACH OF THE IRREGULAR-SHAPED BISCUITS SUGGESTED BY RESPONDENT.

Respondent introduced in evidence six biscuits in different irregular shapes which it contended were just as commercially practicable for defendant to manufacture and sell as the pillow-shaped biscuit. These irregular-shaped biscuits were marked as Plaintiff's Exhibits 240 to 245, inclusive, and photographs of them, subsequently introduced in evidence, were correspondingly marked as Plaintiff's Exhibits 240-A to 245-A (R. 4, pp. 111-121). The process by which each such biscuit was made was described by respondent's witness Oakes (R. 1, pp. 270-276).

The record conclusively establishes that it is not commercially practicable to make any of these irregular-shaped biscuits (R. 2, pp. 1113-1115, 1131, 1142-1144, 1162). A detailed analysis of the objections to each appears below at pages 110-112). Before making this detailed analysis, however, some of the objections common to several or all of the irregular-shaped biscuits will be discussed.

(1) *Wastage*. In cutting shredded wheat into oblong biscuits, there is no normal waste of the product (R. 2, p. 1118). The wheat emanates from the shredding rolls in long shreds which are piled on top of one another and are then subdivided into the size biscuit desired; all of the wheat is used. If, on the other hand, an irregular-shaped biscuit is made, not all of the shreds can be used; there is necessarily a great deal of scrap, amounting in the case of at least one of the suggested biscuits to as much as 50% (R. 2, pp. 1118, 1142, 1143).

So far as petitioner is concerned, this scrap is entirely wasted; Kellogg does not reprocess its scrap but sells it for wet feed for animals (R. 2, pp. 1115, 1141-1142). Reprocessing has been tried but it has not proved satisfactory because it makes the shreds harder and more doughy and makes them lose the identity of the bran (R. 2, pp. 1115-1117; R. 3, p. 2037). A biscuit made of reprocessed scrap was introduced in evidence as Defendant's Exhibit 198; it was shown to be heavier and harder than the regular

biscuit and, although placed in the oven for twice the normal time, was less well baked because the heat could not penetrate it as well (R. 2, p. 1117; R. 3, pp. 2037-2038).

Moreover, if the scrap resulting from the manufacture of an irregular-shaped biscuit were reprocessed, a large portion of the reprocessed shreds would inevitably become scrap again when the next batch of biscuits was cut. Every biscuit, therefore, would contain shreds which were reprocessed not only once but two, three or four times. The shreds, of course, would become progressively worse with each reprocessing (R. 2, pp. 1119, 1142) and the expense of manufacturing the biscuit would be enormously increased (R. 2, pp. 1142, 1147).

The manufacture of any biscuit, the shape of which results in any appreciable amount of wastage, is, therefore, impracticable. Either the scrap must be sold as animal feed, thereby increasing the cost of manufacturing the biscuit by the cost of the wasted material, or it must be reprocessed, thereby making the biscuit of inferior quality and likewise increasing its cost by the cost of the requisite extra processing.

(2) *Heat Penetration.* In order properly to bake a shredded wheat biscuit its composition must be such that the heat from the ovens can penetrate it fully. The pillow-shaped biscuit is so composed, since it is open at both ends and puffs during the baking process. This puffing is essential to the distribution of the heat (R. 2, p. 1114). A biscuit, such as each of the irregular-shaped biscuits suggested by respondent, which is not open at any of its edges and therefore cannot puff as does the pillow-shaped biscuit, cannot be properly baked (R. 2, pp. 1114-1115).

(3) *Hard Edges.* Any shredded wheat biscuit necessarily has hard edges or rims where the knives pinch the shreds together; these hard edges are objectionable, not only because they do not allow proper heat penetration, but also because they are not as tender or palatable as is the remainder of the biscuit (R. 2, pp. 1113-1114, 1130). These hard portions are reduced to a minimum in the pillow-shaped form of biscuit because only the sides are sheared together, the ends remaining open. Each of the irregular-

shaped biscuits suggested by respondent, on the other hand, has hard rims on all sides, making them highly undesirable from a commercial standpoint (*id.*).

(4) *Packing and Breakage.* Shredded wheat biscuits are fragile and therefore must be packed largely by hand (R. 1, pp. 268, 277-278; R. 2 p. 1142). The pillow-shaped biscuit lends itself readily to packing, and, when packed, it is held on all four sides and is thus protected against breakage (R. 2, pp. 1143-1144). The irregular-shaped biscuits, on the other hand, would be far more difficult to place in a carton and would tend to create considerable spoilage in the packing process (R. 2, pp. 1130-1131, 1142-1143). Moreover, there would be space between the biscuits in the carton which would require expensive and objectionable stuffing and which would increase the breakage in shipment (*id.*). The added expense thus caused would make profitable competition virtually impossible. Use of irregular-shaped cartons would not obviate the difficulty since excessive breakage would still occur, and, in any event, such cartons would be entirely unmarketable (R. 2; p. 1148).

The two major tests for determining the commercial practicability of any biscuit are, of course, the cost of production and the edibility of the biscuit. The following detailed analysis of the particular objections to each of the suggested irregular shapes demonstrates that none of them meets these tests.

Diamond-Shaped Biscuit (Plaintiff's Exhibits 240 and 240-A)

In the manufacture of this biscuit there would be a 50% wastage (R. 2, pp. 1118, 1142). The biscuit has four sharp hard edges, which is commercially objectionable in and of itself and which prevents the proper puffing essential for the distribution of heat (R. 2, p. 1114). If packed in a rectangular carton, there would be empty spaces between the biscuits which would cause tremendous breakage and would require objectionable stuffing (R. 2, pp. 1130, 1141, 1142). Breakage would be particularly great because the corners of the biscuit are excessively fragile (R. 2, pp. 1130, 1141). Moreover, the manufacture of this biscuit

would be extremely difficult, if not impossible, because of the necessity of fitting knives diagonally across the cutter chain (*id.*).

Triangular or Cone-Shaped Biscuit
(Plaintiff's Exhibits 241 and 241-A)

Although this biscuit can be made without wastage with a hand mold, it is not a practical biscuit from the standpoint of commercial manufacture (R. 2, p. 1127). It has sharp hard edges which are objectionable of themselves and which do not allow proper puffing and heat penetration (R. 2, pp. 1113-1114). The labor cost of packing this biscuit would be double that of packing the pillow-shaped biscuit (R. 2, p. 1142). There would also be undue breakage in handling the biscuit because of its fragile end (R. 2, p. 1142-1143).

Doughnut-Shaped Biscuit
(Plaintiff's Exhibits 242 and 242-A)

The manufacture of this biscuit would cause wastage of approximately 38% (R. 2, p. 1142). Its entire outer and inner rim is a sharp, hard and objectionable edge, not allowing the proper heat penetration (R. 2, p. 1114). This biscuit would be difficult to pack and, since only the edges of the biscuit would touch the package, there would be excessive breakage (R. 2, p. 1142).

*Large Round-Shaped Biscuit and Small
Round-Shaped Biscuit*
(Plaintiff's Exhibits 243, 243-A, 244 and 244-A)

In the manufacture of both of these biscuits there would be a wastage of approximately 27% (R. 2, p. 1143). They both have the same objections as the doughnut-shaped biscuit, *i. e.*, hard outer edges, lack of proper heat penetration, difficulty in packing and excessive breakage (R. 2, pp. 1115, 1143).

Round Molded Biscuit
(Plaintiff's Exhibits 245 and 245-A)

This biscuit has the same objections as the two other round biscuits above discussed, except that, being made in a mold, there would be less wastage (R. 2, p. 1119). However, this type of biscuit would not be practicable to

make as it would require continual starting and stopping of the machinery in filling the mold (R. 2, p. 1143). This would, of course, make economical production impossible. This biscuit could not be made on the Perky machinery, used by both respondent and petitioner, which provides for continuous operation with a continually moving cutter chain (R. 2, p. 1143).

Appendix B.

TYPICAL EXCERPTS FROM THE TESTIMONY SHOWING THAT PETITIONER'S GOODS HAVE NOT BEEN AND COULD NOT BE CONFUSED WITH THOSE OF RESPONDENT.

References to testimony of some 150 witnesses called by both parties to the effect that petitioner's cartons and its biscuit are entirely distinctive and have not been and could not be confused with those of the respondent are given at page 36, *supra*. In order that the Court may appreciate the full force of this testimony without resort to the record, we call attention to the following few excerpts as typical of scores of others equally cogent.

Respondent's witness, Howard Duane, a consumer, testified (R. 1, p. 302):

"I saw immediately that the biscuit handed to me in this carton was not the biscuit I had been getting. I noticed the size was shorter than the Shredded Wheat Biscuit. I knew it was not the biscuit made by National Biscuit Company or the Shredded Wheat Company. . . ."

"The product that I consumed at the station was not Shredded Wheat. I knew it was not Shredded Wheat. It was wheat that was shredded, but I knew it was not the product of the Shredded Wheat Company."

Irma Colliflower, another consumer witness called by the respondent, stated (R. 1, p. 428):

" . . . I had seen Kellogg's product on the shelves in stores and knew immediately that I was not being given the original Shredded Wheat as the

carton did not contain a picture of the Falls nor was it marked 'Home of the Shredded Wheat.' I understood right away that she was giving me a product made by Kellogg Company."

Similarly, George John Borneman, a grocer called by the respondent, stated (R. 1, p. 446):

"* * * I immediately recognized a difference in the biscuit, first in the package and then in the size and taste of the biscuit."

Respondent's witness, Theodore Keenan, a consumer, testified (R. 1, p. 452):

"I had never seen the Kellogg small package but had seen the Niagara Falls package and knew instantly that I was not getting the Niagara Falls product when the girl at Kresge's handed me the package."

Likewise Allan H. Fagan, a consumer testifying for the respondent, said (R. 1, p. 635):

"* * * As soon as the little package was handed to me, I knew right away it was not Niagara Falls Shredded Wheat, by the box. When I took the biscuit out of the carton I noticed it was a small biscuit."

John F. B. McCrum, another of respondent's consumer witnesses, stated (R. 1, p. 656):

"I saw the package he took down from the shelf, that it was a Kellogg package, when he put it on the counter. I recognized then right away it was a Kellogg package." * * * I knew right away, when I looked at it, that it was not the package the grocer was handing down to me. * * *

* * * Looking at the contents of Defendant's Exhibit 6, I really could not tell you whether that looks like Shredded Wheat. It does not look like the National Biscuit Shredded Wheat."

Respondent's witness, Adele MacDuffie, gave testimony to the same effect. She stated (R. 2, p. 789):

"As soon as the clerks at these stores brought out the Kellogg packages, I knew right away it was not

the National Biscuit package; and I said right away, 'This is not Shredded Wheat.' By that I meant that it was not the National Biscuit Company's Shredded Wheat. I did recognize it, however, as Kellogg's Shredded Wheat."

○ The testimony of William C. Ruch, another of respondent's consumer witnesses, is similar. Mr. Ruch stated (R. 2, pp. 803-804):

"* * * As soon as I saw Kellogg's, I recognized right away that it was a different size shredded wheat and it was not what I wanted. * * *

"If my wife had bought the Kellogg's shredded wheat without telling me anything about it and had put some of them into a plate and served me in the dining room, I would have seen right away that I was getting a different shredded wheat than I had had."

Sidney A. Nelson, a retail grocer testifying for respondent, stated (R. 2, p. 845):

"Taking the resemblance between these two biscuits, surely, if I and most of my customers saw the two packages side by side, we would have no doubt that they are different products of different companies. * * *

"If two of Kellogg's Whole Wheat Biscuit were put in a plain dish and set on the table in front of the average householder or person who uses these cereals, they would know at once that they had gotten something different than Shredded Wheat. They would immediately notice it was a different product."

Mrs. W. A. Mahaffey, another of respondent's consumer witnesses, gave similar testimony (R. 2, p. 889):

"* * * My husband is the one who eats the cereals at our home, mostly. I served him Kellogg's biscuit. He did not think he was getting the same biscuit. He wanted to know why I did not get the other kind of biscuit. He always does that when I get a different kind of biscuit than Shredded Wheat. He always sees the difference right away. * * *

The first time Kellogg's biscuit was handed to me in

the store, I recognized right away that it was not the National Biscuit package, because it is in a different box, and a different size."

Typical of the testimony given by wholesale grocers is that of David H. Bergey (R. 2, p. 1364):

"* * * There is no confusion in our house in ordering those two brands. They are separate and distinct, listed that way, and sold that way. We have never had instances where one was returned to us with the statement they wanted the other kind. I am familiar with both packages. I do not think the Kellogg package has any similarity to the Niagara Falls package."

Retail grocers testified to the same effect. Typical is the statement of Nat C. Reis, who said (R. 3, p. 1615):

"We have no confusion in this store between those two products. They call for them by brand name. Kellogg's Whole Wheat Biscuit is shredded whole wheat—that is, a shredded wheat biscuit, smaller than the other, with more in a package. I know of no way to describe it, other than to call it shredded whole wheat biscuit. I do not believe you could call it anything else. You could not mix up the dress of the packages. The Kellogg biscuit is in the same dress as the rest of the Kellogg line. There could be no confusion between that and the Niagara package at all."

John A. DeMallie, likewise a retail grocer, stated (R. 3, p. 1522):

"I have never practiced substitution in regard to the Kellogg Product. I do not see how it could be substituted for the Niagara Falls Shredded Wheat, because there is so much difference in the package. I do not believe you could substitute it, even to a child."

Another retail grocer, Cresson A. Medlin, also testified to the complete absence of confusion between respondent's and petitioner's biscuits (R. 3, p. 1737):

"I never, that I remember, had any mixup or confusion between the two products, when I was carrying

both. I never had any customer send back one and say she wanted the other one as far as I recall. The customers differentiated between the two. They would just ask for Kellogg's, and that was all there was to it."

To the same effect is the testimony of David D. Kay (R. 3, p. 1753):

"* * * It is pretty hard to mix them today, because there is so much difference between the two products, it is hard work to get them confused. I know of no instance of confusion, because you get a large biscuit of shredded wheat. On Kellogg's, you have a different kind of end, package, product inside, different shape and size, and everything else. I cannot see any chance of confusion."

Mrs. Mary E. Keene, a consumer witness for the respondent, stated (R. 3, p. 1788):

"* * * When I first saw Kellogg's biscuit, I did not by any means think it was the same biscuit I had been using. I remember the difference in size. Kellogg's biscuit fits my dishes better. We have had several people at home remark on the niceness of the biscuit and how they liked it, comparing it with shredded wheat biscuit."

The situation is well summed up in the testimony of Edwin A. Wurster, a wholesale grocer, who said (R. 3, p. 1792):

"* * * If a customer asks for shredded wheat and the retailer hands them the Kellogg package like Plaintiff's Exhibit 161, unwrapped, it might be an attempt at substitution on the part of the retailer, but it would be a very foolish attempt, because a person would have to be blind. If I go in a store and ask for shredded wheat, meaning the Niagara package, if they handed me the Kellogg package, I could see it was not the same in shape, appearance or color."

Appendix C.

ANALYSIS OF TESTIMONY RELIED UPON BY RESPONDENT TO SHOW CONFUSION AND PASSING OFF.

As stated above (p. 37, *supra*), respondent's attempt in its brief in the court below to prove that there had been "Actual Instances of Confusion and Passing Off" failed to reveal any actual case where such passing off had occurred.

We have already shown (p. 37, *supra*) that most of the witnesses upon whose testimony respondent relied stated only that when a consumer asked for shredded wheat, he was or could be offered a package of "Kellogg's Whole Wheat Biscuit", that sometimes grocers receiving an order for shredded wheat did not know whether respondent's or petitioner's product was meant, and that Kellogg's biscuit was sometimes offered to consumers as a shredded wheat product.

Of all the other witnesses whose testimony was referred to, eleven, all of whom were called by respondent, merely expressed the viewpoint that they considered it unfair for petitioner to put out a biscuit in competition with respondent after respondent had built up the shredded wheat trade by years of advertising and sales effort.* Examination of the testimony of five others fails to reveal any evidence that in any way indicates confusion, deception or passing off;** indeed, one of these five testified that she was a consumer of Kellogg's Whole Wheat Biscuit and had never purchased or eaten respondent's product (R. 2, p. 1286).

Mrs. Grace Darling, a consumer, stated merely that as she was walking up the aisle of a market, a clerk held out a package of Kellogg's biscuit, that she saw the picture on the package but did not stop to examine the carton

* R. 1, Hamilton, p. 355, Miller, p. 434, Orr, p. 450, Miller, p. 462, Leighton, p. 476, Planz, p. 498, Warren, p. 519, Gotwalt, pp. 525-526, Watkins, p. 546, Evans, p. 648; R. 2, Nelson, p. 839.

** R. 2, Maude, p. 1216, Condon, p. 1286, Florian, p. 1309; R. 3, Young, p. 1465, Denison, p. 1496.

and did not see the Kellogg name. She simply told the clerk to send the carton to her house. Her son opened the package before Mrs. Darling returned home and immediately knew that the biscuit was different from respondent's product to which he had always been accustomed (R. 1, p. 396).

Edward E. Sweet, a consumer, testified that, while reading his newspaper in a restaurant, he was served with petitioner's product in response to an order for shredded wheat. Without looking at it, he removed one of the biscuits from the carton. As soon as he tasted the biscuit, he knew it was not respondent's product. Looking at the carton for the first time then, he saw immediately that it was a Kellogg package and, when he examined the biscuit, noticed that it was shorter than the biscuit to which he had been accustomed (R. 1, p. 325).

Henry Adrian, retail grocer, testified that it would be hard to differentiate respondent's and petitioner's biscuits outside of the package; he had recognized, however, that petitioner's biscuit was smaller and crisper. He knew of no passing off, and in the only instance when he produced Kellogg's package in response to a request for shredded wheat, the customer stated that she wanted the other brand. He further testified: "I do not think one glancing at Exhibit 14 would be led to believe it was the Niagara Falls Shredded Wheat; because, if they did not have Niagara Falls on, they would know it was not the shredded wheat they had always been buying. Maybe they would know it was a biscuit of the same kind" (R. 1, pp. 384-387).

Elmer R. Jones, retail grocer, testified that Kellogg's Whole Wheat Biscuit was never sold as respondent's product and that a distinctive demand had been built up for it because of its size and the number of biscuits in the package (R. 1, pp. 538-539). He said that petitioner's biscuit had been easier to sell because of the popularity of respondent's biscuit, and that there was a possibility that a customer seeing petitioner's package with the dish picture might be led to think it was respondent's product. He gave no testimony that any such instance had ever occurred (R. 1, pp. 539-540, 543).

George Schapansky, a consumer, told a conflicting story. Having first testified that he was frequently served biscuits in restaurants outside of the carton and that he could not tell whether they were respondent's or petitioner's product (R. 2, p. 716), he then said that, with one exception, all the biscuits served to him without the carton were respondent's long biscuit. The exception was an instance when he saw petitioner's individual carton before the waitress threw it away and recognized it as a Kellogg package (R. 2, 716, 725). He also testified that when he examined petitioner's package in a self-service grocery store, he recognized it as a different product from respondent's (R. 2, pp. 717-718). This witness, who was a grocery clerk for a year, did not know that Kellogg's packages are all predominantly green and red, and did not recognize any family relationship between the Kellogg Whole Wheat Biscuit package and the Kellogg Corn Flake package (R. 2, p. 723).

Mrs. Jessie M. Fatjo, a consumer (R. 741-746), testified that she went into a store, asked for shredded wheat and was given a package of Kellogg's Whole Wheat Biscuit. She was in a hurry and just glanced at the package without seeing the name on it. It struck her as not quite familiar, however, so she asked whether it were shredded wheat and was told it was. As soon as she started home and really looked at the package, she saw it was not respondent's product. She ate a few of the Kellogg biscuits and noticed their small size. She testified that she could tell respondent's and petitioner's product apart outside the carton.

George J. Born, a retail grocer, testified only that his customers wanting shredded wheat biscuits were "confused" because they did not know whether to take respondent's or petitioner's brand (R. 2, 750). Customers asking merely for shredded wheat were always given respondent's brand (R. 2, p. 754). The witness testified to no confusion or possibility of confusion between the two brands.

William G. Eastman, a grocer (R. 2, p. 756), was confused by a dealer advertisement of "SHREDDED WHEAT—Kellogg's" because he didn't read far enough to see the word "Kellogg's." The witness testified to no case of customer confusion between the two products.

W. D. Van Ardsdale, a retail grocer, testified to an instance when a customer sent her twelve year old son for a package of shredded wheat, desiring respondent's brand thereof, and he picked out a package of Kellogg's without stopping to read it. When he took it home, his mother immediately recognized that it was petitioner's brand and sent her son back to change it (R. 2, p. 762).

Sidney W. Rodda, one of respondent's district sales managers, merely testified that the sale of petitioner's biscuit has been aided by the popularity of respondent's biscuit (R. 2, p. 820). He also said: "I believe the Kellogg Company has used all the ordinary and best known, most effective methods of introducing a new product to the consuming public through the retail trade, referring to Kellogg's Whole Wheat Biscuit. There is no indication in the stores that the Kellogg Company was trying to conceal the fact that it was in the market with a whole wheat biscuit" (R. 2, p. 815). The witness did not testify to any confusion or passing off or any likelihood thereof.

R. L. Waugh, a grocer, testified that in a few instances customers had picked up petitioner's package without looking at the name, thinking it was respondent's product, and that he would have to correct them (R. 2, pp. 849-50). He further stated that he believed that respondent's carton had "never registered itself on the memory of the general public in any way" and that consumers who opened petitioner's package would discover the difference in the biscuits and know that they were not respondent's product (pp. 854-855).

Henry L. Dingee, a grocer, stated that he believed there was a possibility of confusion between respondent's and petitioner's packages—and then conceded that the Kellogg Whole Wheat Biscuit package was as distinctive as any other Kellogg package and that anyone who might confuse it with respondent's package might "also pick up a package of Kellogg's Corn Flakes and think they were getting a package of Shredded Wheat" (R. 2, pp. 862, 872-873).

Howard P. Burke, a consumer, testified that in response to an order for shredded wheat in a restaurant he was brought a box of petitioner's biscuit. He asked the waitress

whether it was shredded wheat and she told him that it was. He then told the waitress that the box bore the name "Kellogg's Whole Wheat Biscuit" and the waitress replied that it was the same thing as shredded wheat (R. 2, p. 884). He further testified to having received petitioner's product in individual cartons on previous occasions and that he remembered the name "Kellogg's" because it was prominent on the package (R. 2, p. 886). Mr. Burke also stated that he had several times received shredded wheat in a restaurant outside of the carton but could not say whether what he had received was respondent's or petitioner's product (R. 2, pp. 887-888).

Paul W. Siebert, a grocer, testified only that a customer of his believed that some packages of Kellogg's biscuit which were sold from a wagon, contained respondent's product until she looked at the packages in his store, when she at once saw the difference between the two cartons. He further stated that petitioner's package could never be put out for respondent's (R. 2, p. 893).

Julius D. Frank (R. 3, p. 1485) testified that there was, in general, no confusion in his store between the two brands but that sometimes foreigners did not know which shredded wheat they wanted, Kellogg's or respondent's.

Appendix D.

TYPICAL EXCERPTS FROM THE TESTIMONY SHOWING THAT
 "SHREDDED WHEAT" IS COMMONLY USED AND UNDER-
 STOOD AS THE DESCRIPTIVE AND GENERIC NAME OF
 THE ARTICLE.

The witnesses called by both parties consistently used the words shredded wheat in a generic sense, described the article as made of wheat which has been shredded, and stated that they knew of no other name for the article than shredded wheat or shredded whole wheat. References to the testimony of over 100 of these witnesses is given at page 78, *supra*. Typical excerpts from the testimony follow.

Respondent's witness Alfred F. Braun, testified (R. 1, p. 415):

"I understand 'shredded wheat' to be a wheat product made into biscuit form and shredded. I

recognized that Kellogg's Whole Wheat biscuit was a shredded biscuit the first time I saw it. I know of no other way of describing this product and have never heard any other name applied to it."

William P. Fisher, one of respondent's consumer witnesses, stated (R. 1, p. 463):

"* * * When the biscuit was served in the bowl I had no doubt about it being a shredded wheat biscuit product, that is, a wheat shredded into shreds and put into biscuit form."

Charles Berman, a retail grocer called by respondent, said (R. 1, p. 617):

"* * * I do not know any other name for Shredded Wheat, except Shredded Wheat. If anybody asked me what a Post Toasty was, I would say it was a corn flake. If anybody asked me what shredded wheat was, shredded wheat is the only name for it I know."

Similarly, respondent's witness Alexander Aitken testified (R. 1, p. 637):

"* * * Whole Wheat Biscuit might be one of six or eight different kinds of products, a flat biscuit, a pillow-shaped biscuit, or a rosette-shaped biscuit, to me. If, however, the package carried the name Kellogg's Shredded Wheat Biscuit, I would expect to find shredded wheat. I would know it was shredded wheat; meaning, by that, a pillow-shaped biscuit made out of wheat in shredded form."

George J. Born, another of respondent's grocer witnesses, stated (R. 2, pp. 749-750):

"* * * Shredded Wheat has no other current name, as far as I know, than the words Shredded Wheat. Uneda Biscuit is a soda cracker; but I do not know any other name for shredded wheat or shredded wheat biscuit than the words Shredded Wheat or Shredded Wheat Biscuit. I should say Shredded Wheat is only Shredded Wheat. * * *

"If a manufacturer made that product, I do not know any other name that would describe it than the words shredded wheat or shredded wheat biscuit. I would not know what else he would call it. * * * I could not suggest any other name by which it could be described. I would not know any other name than shredded wheat biscuit."

Mrs. R. E. Anderson, a consumer called by respondent, gave the following typical testimony (R. 2, p. 794):

"When I looked through the cellophane window in this package, I saw it was shredded wheat. In other words, I did not think for a minute that it was corn flakes or oatmeal or anything of that sort. I knew that it was the cereal I know as shredded wheat."

Similarly, Clarence E. Lierley stated (R. 2, p. 799):

"I would say that corn flakes, oatmeal, and shredded wheat are all different types or kinds of dry cereals. Oatmeal is somewhat of a moist cereal, but corn flakes, wheat flakes, and shredded wheat are different kinds or types of cereal foods. Shredded wheat means to me a certain kind of cereal food."

P. F. McCarthy, a retail grocer testifying on behalf of respondent, said (R. 2, p. 833):

"If I want to describe the product itself, it is Shredded Wheat. Shredded Whole Wheat Biscuit is the only name that would describe it, I think. I presume it is correct to say that Whole Wheat Biscuit is not as descriptive a name as Shredded Whole Wheat Biscuit. Whole Wheat Biscuit does not say that it is not shredded. There might be ten or fifteen kinds of biscuit that would be all whole wheat biscuits. The other is shredded. * * *

"Looking at these products of Kellogg and the National, they are both advertised as whole wheat; they are both shredded; they are both biscuits."

Respondent's witness Henry F. Steen, a consumer, stated (R. 2, p. 929):

"If somebody asked me to describe the National Biscuit Company Shredded Wheat, I would state that

it was a biscuit that was made of shredded wheat, properly manufactured, through toasting or baking, or whatever their process is, put into the form of a biscuit, and sold. In my definition, I have said it was made of wheat shredded, which is shredded wheat, that it is made out of whole wheat, and it is made into a pillow-shaped biscuit. If you say boiling down my description, that it is a shredded whole wheat biscuit, I would say that that is an exact description of this National Biscuit Shredded Wheat."

John E. Lurie, a retail grocer, stated (R. 3, p. 1464):

"* * * I would still describe the Whole Wheat Biscuit which was formerly sold as Shredded Wheat, as shredded wheat today. I really could not think of anything else to call it when Mr. Clarke asked me that. It is a whole wheat biscuit which is shredded, so that is what it is. It is hard for me to tell you exactly what I mean by shredded. I take for granted that it is shredded, because it is like shredded coconut, cut up in long, fine parts. When I speak of a thing being shredded, I mean it is cut up. I never went to Niagara Falls and saw them make it. I do not know how the so-called shreds are made.

"Assuming it is true that the wheat berry is pressed between rollers and caused to come out in a long string, that is a definition of shredded. It is not cut up; it is pressed, if you assume that to be true. That is my idea of shredding."

The situation is well summarized in the following testimony of Edwin A. Wurster, a wholesale grocer (R. 3, pp. 1796-1797):

"Shredded whole wheat biscuit might be anything that was made of whole wheat and shredded and held together in some particular form that held it together. It might not be that particular style. To me it would be always shredded whole wheat biscuit, no matter who made it. I cannot think of anything else to call it that would describe it as well as that. That is a description of the product, and that is the thing to call it. It has always been called whole wheat biscuit. The fact that it has been descriptive would

not alter, I think. It is always shredded whole wheat biscuit. I think that is all it was. If you should ask me what Uneeda Biscuit was, I would probably say it was a soda cracker. That is so. The trade name would be Uneeda Biscuit, and the descriptive name would be soda-cracker. If someone were to ask me what the trade name and what the descriptive name of shredded wheat was, I would say it would be just shredded whole wheat biscuit. The only descriptive name I know for it is shredded wheat or shredded whole wheat biscuit. It cannot be anything else.

"If anybody asked me what a *Kodak* was, I would say it was the trade name of the Eastman Kodak Company meaning a *camera*, the latter word being the descriptive name that anybody could call it by. I do not, however, know any other descriptive name that can be used to tell about shredded wheat, except shredded wheat, or shredded whole wheat biscuit, any other name you could call it."

Appendix E.

CANADIAN SHREDDED WHEAT CO., LTD. v. KELLOGG COMPANY OF CANADA, LTD., AND ANOTHER.

LORD RUSSELL OF KILLOWEN. The circumstances which have given rise to this litigation are exceptional, and must be stated in some detail. On May 27, 1896, one Henry D. Perky obtained a grant of Canadian letters patent (No. 52,428) covering a new product which he had invented, and a process and machine by means of which the new product was prepared or produced.* According to the patent, wheat is taken in berry form, and, after being thoroughly washed, is boiled for about an hour. It is then dried for some hours. The berries are then passed between compression rollers, one or both of which is or are provided with a series of fine circumferential grooves, whereby the berries are mashed, and their outer bran coats, gluten layers and

* Respondent's corresponding American patent, No. 548,086, appears at R. 5, p. 59, and is described at p. 8, *supra*.

starchy interior portions are thoroughly incorporated together and forced into the grooves, whence the resultant food is discharged by means of a comb "in light porous and tender threads or filaments into a pan or other receptacle, or upon a moving receiver whereby they may be disposed in layers." The specification then proceeds as follows:

The food as discharged from the rolls is ready for use without further cooking, or it can be shaped for baking in various ways.

The food presented is a purely cereal product, and all the parts of the berry are given to the consumer in attractive form. No chemical change is set up therein by the use of ferments or other foreign ingredients, and the percentage of water in the food is much less than in ordinary bread.

The article as produced is a food or bread composed of superposed or massed layers or deposits of comparatively dry, externally rough, porous, sinuous threads or filaments of cooked whole wheat, containing intermixed the bran, starch and gluten of the entire berry, and which is absolutely free from leavening or raising material or other products.

The apparatus for carrying out the process is then described, and finally the product, the process and the apparatus are severally claimed, the claim for the invented product being thus phrased:

A food or bread composed of superposed or massed layers or deposits of comparatively dry, externally rough, porous, sinuous threads or filaments of cooked whole wheat containing intermixed the bran, starch and gluten of the entire berry and which is free from leavening or raising material or other products.

It will be seen that the invented product is the food as discharged from the rollers, which may be either collected in a receptacle, or formed into layers by means of a moving receiver, and which may be used in its then condition, or may be further cooked by being baked in shapes.

On Aug. 13, 1901, Perky obtained a grant of Canadian letters patent (No. 72,695) for improvements in and relating to machines for making biscuits and other articles. This patent covered the machine which was used by the

plaintiff for the production of biscuit shapes, composed of the new product (the subject of patent No. 52,428) which issued from the rollers on to a travelling band.* The new product was called, and was known by the name of, shredded wheat. Although the process covered by patent No. 52,428 may be strictly a mashing rather than a shredding process, the product in fact presents every appearance of having been shredded, and it is to be observed that the patentee in his patent No. 72,695 himself refers to the process as "shredding the grain."** There can be no manner of doubt that the name shredded wheat very aptly describes the new product. The new product was first marketed in Canada in the year 1898 by a company which was registered in the United States of America, and which had its factory in that country. It continued to be imported from the United States into Canada and sold there to some extent for some six or seven years. In the year 1904, the plaintiff company was incorporated under the laws of the Province of Ontario. It acquired the goodwill of the business in Canada of the company which was at that time importing the product into Canada and selling it there. It built a factory for its manufacture on the Canadian side of Niagara Falls, and in 1905 commenced, and has ever since continued, to manufacture the product in Canada, and to sell it there. The product was sold in two forms, the one a biscuit, which consisted of the shredded wheat produced by the process and apparatus protected by patent No. 52,428, after it had been panned and cut for baking by the apparatus protected by patent No. 72,695, and baked, the other a biscuit made of the same material cut in a flattened and compressed form, which the plaintiff company sold under the name "triscuit." The trade in triscuits was small, but the plaintiff company's trade in the other biscuit undoubtedly developed large proportions.

The patent No. 52,428 expired in 1914. Down to that time no one had sold or could sell the product known as shredded wheat in Canada except the plaintiff company

* The machine covered by Canadian patent No. 72,695 was protected in the United States by the various patents referred to at p. 8, *supra*.

** See same language in respondent's American patents cited at p. 74, *supra*.

and its predecessors in title. In other words, for some 17 or 18 years the plaintiff company and its predecessors had enjoyed the monopoly of selling the patented product in Canada. Upon the expiry of the patent, anyone in Canada could make it. The patent No. 72,695 expired in 1919. The plaintiff company's monopoly thereunder then ceased, and any manufacturer of the product in Canada could use the apparatus covered by that patent, for the purpose of panning and cutting the product for baking. Any one would be entitled to sell in Canada as shredded wheat, or as shredded wheat biscuits, the articles so produced, provided that in so doing he did not (i) infringe some other person's trade mark, or (ii) pass off the goods as being the manufacture of some other person.

In 1912 the plaintiff company had registered in Canada as a trade mark "to be applied to the sale of shredded cereal biscuit," a picture of a shredded wheat biscuit in a dish or bowl, with a spoon resting in the bowl.* The biscuit as depicted shows the shape, resembling somewhat a little pillow or roll, which the biscuit apparently necessarily assumed after the article, which resulted from the product having been panned and cut by the apparatus under patent No. 72,695, had been baked. For some years after the expiry of the two patents, the plaintiff company continued in fact to enjoy its monopoly in Canada. No rival manufacturers appeared upon the scene. In 1924 a strange event happened. The United States Company (the Natural Food Company), which had in 1904 sold the goodwill of its Canadian business to the plaintiff company, had changed its name to the Shredded Wheat Co. In Mar., 1924, it applied to have registered as its trade mark in Canada in respect of biscuits or cracker the words "shredded wheat," alleging (amongst other things) that from Jan. 1, 1894, to date it had adopted and used the said trade mark by applying it to cartons containing the biscuits, that no other person had used the mark in Canada in connection with the sale of goods, and that it had had a factory at Niagara Falls, Ontario, for a great number of years.** Here was a pretty con-

* Respondent's corresponding American trade-mark registration No. 85,186 appears at R. 4, p. 197 and is discussed at p. 11, *supra*.

** Respondent's corresponding American trade-mark registration No. 178,725 appears at R. 4, p. 201 and is discussed at p. 11, *supra*.

fusion of ideas and entities. However, the words "shredded wheat" were in fact registered in the Trade Mark Register at Ottawa as the trade mark of the Shredded Wheat Company, to be applied to the sale of biscuits or crackers, and the words remained so registered for more than three years. The registration, however, was cancelled in Sept., 1927. On Mar. 26, 1928, the words "shredded wheat" were registered as the plaintiff company's trade mark to be applied to the sale of biscuits and crackers, and on Apr. 3, 1929, the same words were registered as its trade mark to be applied to the sale of cereal foods cooked or prepared for consumption.*

In 1934, the Kellogg Co. of Canada, Ltd., the first defendant to the action (hereinafter called Kellogg's), began to sell in Canada biscuits made of shredded wheat. Among their customers was a retail grocer, one Solomon Bassin (the second defendant to the action), who in turn resold some of the said biscuits to his retail customers. The plaintiff company immediately issued the writ in these proceedings, and obtained an undertaking (without prejudice) which had the effect of stopping the alleged wrongful sales until the trial or other final disposition of the action.

The biscuits sold in Canada by the defendants were made by the same, or substantially the same, process as that by which the plaintiff company's biscuits are made. In other words, the patented processes were used, and the patented product was thereby produced. The biscuit manufactured by Kellogg's, though of the same pillow or sausage-roll shape, was some 25 per cent. shorter in length. It would seem from the evidence that the rounded pillow shape is the result of puffing-up in the baking of the product, after it has been panned and cut by the apparatus protected by patent No. 72,695. The length and width would be determined by the width of the stream of the product and the spacing of the cutters. Kellogg's sold their shredded wheat biscuits in cartons, each containing 15 biscuits packed in 5 layers of 3 biscuits each, the layers being separated by a corrugated separator or pad. The carton contained on each of its four sides, and also on the top and bottom, the words "Kellogg's

* Respondent's corresponding American trade-mark registration No. 213,456 appears at R. 4, p. 203 and is discussed at p. 11, *supra*.

Shredded Whole Wheat Biscuit." On the top and bottom appeared the words "Made in U. S. A." On the two broad sides appeared the words "W. K. Kellogg" and "Kellogg Company, Battle Creek, Michigan." The cartons made it plain for all the world to see that the contents of the cartons were biscuits composed of shredded wheat, manufactured by a U. S. A. company called the Kellogg Company. No passing off by means of get-up of the cartons is alleged, or could be alleged, by the plaintiff company. Indeed, Kellogg's carton was in all respects quite different in get-up and appearance from the cartons in use by the plaintiff company. Apart from a question of passing off by reason of the form or shape of Kellogg's biscuit, the plaintiff company's claims to relief are two, and are both founded upon the use by Kellogg's of the two words "shredded wheat."

In the first place, the plaintiff company claims an injunction to restrain the defendants from infringing the registered trade marks consisting of the words "shredded wheat," by the use of the words "shredded wheat," or "shredded whole wheat" or "shredded whole wheat biscuit" or any words only colourably differing therefrom. As to this claim, their Lordships at this stage content themselves with observing that, if the plaintiff company's said trade marks are valid trademarks, there can, in their opinion, be no doubt that the defendants, by selling biscuits as shredded whole wheat biscuits, do infringe those marks. If the plaintiff company succeeds on the first claim, no injunction in respect of alleged passing off by the use of the words "shredded wheat" would be required, but, in the event of the trade marks being held invalid, the plaintiff company asks for an injunction to restrain the defendants from (putting it shortly), by the use of the same words or any words only colourably differing therefrom, passing off Kellogg's biscuits as the plaintiff company's biscuits. Their Lordships proceed to deal with these alternative claims, each of which, as will be seen, involves a consideration of the question of the aptness or capability of the words "shredded wheat" to distinguish the product or article manufactured by the plaintiff company from a similar product or article manufactured by anyone else, or their aptness or capability of indicating that goods to which they are applied are the exclusive manufacture of the plaintiff company.

The plaintiff company's first trade mark was not registered until 1928, when application was made to register the words "shredded wheat" to be applied to the sale of biscuits and crackers. For years down to 1912 the plaintiff company had been the sole manufacturer of biscuits composed of a patented product to which had been given the name shredded wheat, a name, as their Lordships think, completely descriptive of the patented product. There can be little doubt that, had the plaintiff company, when the patent expired, attempted to register the words "shredded wheat" as a trade mark for the sale of biscuits and crackers, the application would have met with short shrift. It would be attempting, by registering the name of the patented product, to prolong the patent monopoly, and this may not be done. Had the plaintiff company, during the currency of the patent, applied to the product manufactured by it a distinctive trade mark duly registered, it could have effectively secured for itself a means by which, when the patent expired, the shredded wheat which it manufactured would be distinguished from the shredded wheat manufactured by others, if and when anyone chose to avail himself of the right then open to the public of manufacturing shredded wheat. This the plaintiff company failed to do, except for the registration in 1912 of the bowl-and-spoon trade mark before referred to, and its user to the extent which hereinafter appears. The language used by LINDLEY, L.J., in *Re Palmer's Trade Mark* (1), at p. 521, may properly be quoted in this connection:

I do not mean to say that a manufacturer of a patented article cannot have a trade-mark not descriptive of the patented article so as to be entitled to the exclusive use of that mark after the patent has expired; for instance, if he impressed on the patented articles a griffin, or some other device; but if his only trade-mark is a word or set of words descriptive of the patented article of which he is the only maker, it appears to me to be impossible for him ever to make out as a matter of fact that this mark denotes him as the maker as distinguished from other makers.

The plaintiff company, however, claims that, in the interval between the expiry of the patent in 1912 and the

registration of the trade mark in 1928, no one else (with one possible exception) had manufactured the patented product, and that the words had in fact become distinctive of its manufacture, and were properly registrable as its trade mark accordingly. The trade marks here in question were registered under the Trade Mark and Design Act (R.S.C., 1927, c. 201). Sect. 5 (1) defines what for the purposes of the Act shall be considered and known as trade marks, in the following terms.

5. All marks, names, labels, brands, packages or other business devices, which are adopted for use by any person in his trade, business, occupation or calling, for the purpose of distinguishing any manufacture, product or article of any description manufactured, produced, compounded, packed or offered for sale by him, applied in any manner whatever either to such manufacture, product or article, or to any package, parcel, case, box or other vessel or receptacle of any description whatsoever containing the same, shall, for the purposes of this Act, be considered and known as trade marks.

By sect. 13 it is provided that, after registration, the proprietor "shall have the exclusive right to use the trade mark to designate articles manufactured or sold by him." By sect. 11, however, registration may be refused "if the so-called trade mark does not contain the essentials necessary to constitute a trade mark properly speaking." The effect of this provision is that a word which is merely descriptive of the character and quality of the goods in connection with which it is used is not registrable under the Act as a trade mark: *Standard Ideal Co. v. Standard Sanitary Co.* (2) and *Channell, Ltd. v. Rombough* (3). It is, however, clear that such a descriptive word may possibly have acquired a secondary meaning and have come to mean or to indicate that the goods in connection with which it is used are the goods of a particular manufacturer; in other words that the word in question has in its secondary meaning become indicative of origin: *Re Crossfield (J.) & Sons*,

(2)-[1911] A. C. 78; 43 Digest 136; [1911] A. C. 259; 80 L. S. P. C. 87; 103 L. T. 440; 27 R. P. C. 789.

(3) [1925] 1 D. L. R. 233; 43 Digest 137.

Ltd. (4). The onus on the person who attempts to establish this secondary meaning, however, is a heavy one. If, in addition to being descriptive of the goods in connection with which it is used, it is in fact the name of the product of which these goods are composed, then it would seem to their Lordships that a state of affairs exists which makes it extremely difficult that the word should ever become indicative of origin, so as to render it capable of registration as a trade mark. The difficulty may sometimes be overcome in a case where the alleged trade mark is in fact a description of the goods, but is not recognised by the trade or the public as being such, and is taken by them as being a fancy name, *e. g.*, where a chemical description, not generally known to the public, has been adopted, or where an unusual substance unknown to the public is being used in the manufacture. Where the words are purely descriptive, and in common use, it is even more difficult to conceive a case in which they could acquire a secondary meaning.

It is, however, contended that in the present case such extreme difficulty has been surmounted, and that the evidence has established the fact that the words "shredded wheat" have acquired a secondary meaning, and, when applied to biscuits, mean shredded wheat biscuits manufactured by the plaintiff company, and by no one else. Their Lordships therefore proceed to consider the evidence, calling attention, however, to the fact that the oral evidence was in point of time not specifically directed to the date when the trade mark was registered, but referred to the time at which each particular witness was speaking, and was therefore more strictly relevant to the general question of passing off.

In the first place, it is of primary importance to see how the plaintiff company used the words "shredded wheat," *i. e.*, to see whether it used them as a trade name or common law trade mark for the purpose of indicating the origin of the goods, or merely descriptively. It was said in argument that the way in which the plaintiff company used the words was irrelevant. Their Lordships do not agree with this contention. In endeavouring to ascertain what it is that indicates who is the manufacturer of goods, great weight

must necessarily be attached to the steps which the manufacturer takes to indicate origin. Indeed, the foundation of the relief granted in the well-known case of *Reddaway v. Banham* (5), to which further reference must be made hereafter, was that the words there in question had been used by the plaintiff as a trade mark. There was no question in that case of a registered trade mark, but the plaintiff had used the words as a common law trade mark. As LORD HERSCHELL phrased it, at p. 214: "he has chosen to employ it as his trade mark." The opinions of LORD SHAND and LORD DAVEY in *Cellular Clothing Co. v. Maxton & Murray* (6) attach the same importance to the user of the word in question by the person who is claiming that a descriptive word has acquired a secondary meaning as indicating exclusively his goods. LORD SHAND said, at p. 338:

I am of opinion that the word is purely descriptive, and was so used by the appellants.

LORD DAVEY relied on the appellants' advertisements as showing that they used the word as descriptive of the goods, and not as indicating their origin. Further, in *Burberrys v. Cording (J.C.) & Co., Ltd.* (7), PARKER, J., said that, in absence of evidence of intention to deceive (and there is none such here), the inference of probability of deception must depend on the circumstances of each particular case, including the nature of the word or name the use of which is sought to be restrained. He adds the following observations most pertinent to the present case, at p. 987:

It is important for this purpose to consider whether the word or name is *prima facie* in the nature of a fancy word or name, or whether it is *prima facie* descriptive of the article in respect of which it is used. It is also important for the same purpose to consider its history, the nature of its use by the person who seeks the injunction, and the extent to which it is or has been used by others.

(5) [1896] A. C. 199; 43 Digest 277; 65 L. J. Q. B. 381; 74 L. T. 289; 13 R. P. C. 218.

(6) [1899] A. C. 326; 43 Digest 276; 68 L. J. P. C. 72; 80 L. T. 809; 16 R. P. C. 397.

(7) 100 L. T. 985; 43 Digest 304; 26 R. P. C. 693.

Before and up to 1928 the plaintiff company's shredded wheat biscuits were sold in cartons, each containing 12 biscuits. On the top and bottom of each carton appeared the words "shredded whole wheat." On one of the broad sides there was a large picture of a factory, across the top front of which were the words "The Canadian Shredded Wheat Company, Ltd." Above it were printed the words (in large capitals) "shredded wheat," and (in smaller capitals) "made in Canada." Below it were printed the words "The Shredded Wheat Factory, Niagara Falls, Ontario." On the other broad side there were printed at the top in large capitals the words "shredded wheat," and underneath, in smaller type and parallel columns, a series of statements as to the merits of shredded wheat, and directions—such as:

The crispness of its shreds promote thorough mastication, which is the first process in digestion. Heat the biscuit in the oven to restore crispness; then pour hot or cold milk over it, adding a little cream. Salt or sweeten to taste.

Below occur the following words, in capitals, and in separate lines as shown by hyphens:

Heat the biscuit in oven to restore crispness—As made for 25 years—The Canadian Shredded Wheat Co., Ltd.—Niagara Falls, Ont.:—Canada.

There is also a reference to a company in London, England, as being the European distributors. Occupying one of the narrower sides is found a picture of Niagara Falls, and on the picture appeared the words "The Home of Shredded Wheat, Niagara Falls, Ontario." On the other narrower side are found the words "the original shredded wheat," and, immediately underneath, the picture of a bowl containing one of the biscuits and a spoon resting in the bowl, with the words "trade mark." In addition, further below are found the words, "Twelve (12) biscuits," and, in quotation marks, "it's all in the shreds."*

A consideration of this carton, which was the form in which the biscuits were, at the relevant times, being sold

* Respondent's corresponding American cartons are described at pp. 12-13, *supra*, and many of them are in evidence as Plaintiff's Exhibits 2-4.

throughout Canada, makes it clear, in their Lordships' view, that the plaintiff company was in no way using the words shredded wheat as indicative of the origin of the goods contained in the carton, but was using them only as descriptive of those goods. The indications of origin are the trade mark in association with the factory at Niagara Falls, and the name of the company, all of which are prominently displayed. By that carton the plaintiff company was telling the public as plainly as it could that shredded wheat need not necessarily be of its manufacture, but that it was the person who was the original manufacturer of the product known as shredded wheat. The plaintiff company was in fact using the words shredded wheat to indicate the thing, not the manufacturer, to indicate the stuff of which the biscuits were composed, not who made them.

An examination of such advertisements as have been put in evidence leads to the same conclusion. Exhibit No. 24 contains photostatic copies of ten advertisements which appeared in issues of *The Globe* newspaper of Toronto, during the years 1908, 1910, and 1913—at times, that is to say, while the patents were still in force. Three, which appeared in 1908, contain no indication of the manufacturer. They praise "shredded wheat." They recommend a biscuit for breakfast and a biscuit for luncheon, the article in each case being described as made of shredded wheat. One, which appeared in 1910, advertises "shredded wheat biscuits," urges people to try shredded wheat for breakfast, and acquire the shredded-wheat habit. This advertisement displays prominently the name of the plaintiff company, with the words added, "Niagara Falls, Ont." The remaining six all appeared in 1913. They all (except one) contain prominently the name and address of the plaintiff company, and in addition the picture of the bowl with a biscuit inside, and a spoon resting in the bowl. The bowl is steaming, and there is no reference to a registered trade mark. The exception is an advertisement of triscuit, which is described as "the shredded whole wheat wafer." In none of these is there any user of the words "shredded wheat" as indicative of the manufacturer of the biscuit or triscuit. The words are used merely as describing the substance of which the biscuit and triscuit are composed. Exhibit No. 40 contains a series of advertisements which

appeared in *The Globe* between May 1, 1913, and Apr. 30, 1915. Down to the end of 1914, the advertisements of the biscuits all contain prominently the plaintiff company's name and address, a picture of the bowl, biscuit and spoon, and the words "shredded wheat," to describe the stuff of which the biscuit is made. In 1915, the name of the plaintiff company drops out of the advertisements, but the picture of the bowl, etc., continues, and in addition the following words occur, "Made at Niagara Falls, Ontario." In these advertisements also the words "shredded wheat" are used merely as describing what is the composition of the biscuits and triscuits. They invariably state it thus: "Shredded wheat is made in two forms, biscuit and triscuit."* Other advertising-matter was put in evidence, viz., a collection of advertisements in the United States by the United States company which was manufacturing shredded wheat at Niagara Falls, N. Y. These advertisements become admissible and relevant only by reason of the evidence given by Mr. Edwin Wallace. Mr. Wallace had been with the U. S. A. company at Niagara Falls, N. Y., from June, 1901, until about 1904 or 1905, when he became superintendent of the plaintiff company, a post which he held until 1924. Mr. Wallace was asked to look at Exhibit 10 and to state whether that was the way in which, during his association with the plaintiff company, the product had been advertised and described, and he replied: "This is the advertising which has been carried on for many years." In these advertisements also the words "shredded wheat" are used descriptively, and not as indicating the exclusive manufacture of any person. As an instance, the public is warned:

Look for the picture of Niagara Falls on the carton when you buy shredded wheat biscuit. Any other shredded wheat that may be offered you is merely a poor imitation of the only original shredded wheat.**

* Respondent's corresponding American advertising is described at pp. 14-16, *supra*, and many examples, containing almost precisely the same material alluded to by the Privy Council, are in evidence as Plaintiff's Exhibits 87-112.

** See p. 15, *supra*.

Again:

When you ask for shredded wheat be sure you get the original shredded wheat you have always eaten, made at Niagara Falls, N. Y.*

In the face of the use by the plaintiff company of the words "shredded wheat" as appearing on the carton and in the advertisements, it would appear to their Lordships difficult to believe that the words "shredded wheat" could have acquired a secondary meaning indicating goods exclusively manufactured by the plaintiff company. It is, however, claimed by the plaintiff company that the oral evidence establishes the fact. This necessitates a consideration of that evidence.

Three classes of witnesses (some 27 individuals) were examined on commission, viz., consumers, retail grocers, and wholesale grocers. They came from every province of Canada with the exception of Ontario and Quebec, but a formal admission was made on behalf of the defendants that similar witnesses from those provinces would, if examined on commission, testify to the same effect.* It may thus be taken that the evidence, such as it is, covers the whole Dominion. Without analysing it in detail, it may be stated that, in their Lordships' opinion, it falls far short of establishing that in 1928, or indeed at any time, the words "shredded wheat" had acquired a secondary meaning which meant that the goods to which they were applied were the manufacture of the plaintiff company and of no one else. The questions (couched often in a leading form) and the answers given are full of ambiguity. It must be remembered that "shredded wheat" was not only the name given by the inventor to a new product which could be baked into a biscuit, but was also descriptive of the product as to both its composition and its appearance. It must also be remembered that for a lengthy period the plaintiff company enjoyed a legal monopoly of making and selling in Canada the product shredded wheat baked into biscuits, and that, with the negligible exception of some shredded wheat biscuits called muffets, the plaintiff company continued to be the sole maker of the product, baked or otherwise. In these circumstances, it was inevitable that the words "shredded wheat" and shredded wheat biscuits should become asso-

* See p. 14, *supra*.

ciated in Canada with the goods of the plaintiff company, since many members of the public would get to know that the product shredded wheat was in fact the plaintiff company's product.

This, however, is far from establishing the required meaning of distinctiveness, which must carry with it the feature that the goods distinguished are the goods manufactured by a particular person, and by no other. A word, or words, to be really distinctive of a person's goods, must, generally speaking, be incapable of application to the goods of anyone else. It is on this point that the evidence breaks down. It is full of ambiguities. One is left in doubt as to whether a witness, in speaking of shredded wheat, refers to the baked biscuit or to the material of which it is composed, and the answers of many are inconsistent with the witness really believing that the words "shredded wheat" necessarily indicate goods manufactured by the plaintiff company exclusively, and by no one else. It is sufficient to say that it fails to show that the words "shredded wheat," which were both the name of and descriptive of, Perky's invented product, ever acquired the secondary meaning of being distinctive of goods manufactured exclusively by the plaintiff company. It would, in their opinion, be passing strange if they had acquired such a meaning, for it would be a meaning directly contrary to the sense in which those words had been put forward to the public by the plaintiff company in its cartons and advertisements. The circumstances existing in the present case, and the extreme difficulty of the plaintiff company succeeding in establishing the desired secondary meaning, are exactly those which are described by LORD DAVEY in the well-known case of *Cellular Clothing Co. v. Maxton & Murray* (6), at pp. 343, 344, which passage has been aptly cited by McTAGUE, J., in his judgment in the present case.

It was contended that McTAGUE, J., had found the facts upon the issue of distinctiveness in favour of the plaintiff company, but their Lordships are unable so to read his judgment. Had he done so, he must, they think, have granted relief against infringement of trade marks. He states that the general effect of the evidence is that the words "shredded wheat" means to the witnesses the goods

(6) [1899] A. C. 326; 43 Digest 276; 68 L. J. P. C. 72; 80 L. T. 809; 16 R. P. C. 397.

of the plaintiff company. In view of the monopoly enjoyed under the patent, and the monopoly subsequently in fact enjoyed, the words must necessarily be identified with the plaintiff company's goods; but, in view of those exceptional circumstances, the judge holds that the requisite secondary meaning of exclusive distinctiveness has not been established. To quote his words:

On the branch of the issue having to do with infringement of the trade mark, the conclusion must be that the words whose use is complained of are common words, merely descriptive, and have not acquired a secondary meaning in such manner as to give the plaintiff the relief sought.

Their Lordships agree with this finding, which also had the approval of the Court of Appeal.

In the result, their Lordships agree with both the Ontario courts in holding that the registrations of the plaintiff company's trade marks "shredded wheat" were invalid, and that, so far as the action is based on infringement of trade marks, it fails.

The same result must, they think, ensue in regard to passing off, so far as the alleged passing off is based on the use of the words "shredded wheat." Once it is established that these words are both the name of a product and descriptive of that product, the difficulty of establishing a passing off merely by the use of those words in relation to the product is extreme. The case mainly relied upon by the plaintiff company was *Reddaway v. Banham* (5) already referred to. In that case, the use of words which in fact described the belting there in question, and which in a sense could be said to be its name, was restrained, on the ground of passing off. The facts in that case were exceptional and peculiar, and have no real relation to the facts of the present case. For years different manufacturers of belting had made belting consisting of a yarn which was in fact principally composed of camel hair, but which was not known to contain in fact camel hair. Each manufacturer had given the distinctive name of some animal to his belting; e.g., yak, buffalo, llama, crocodile, etc. The plaintiff had identified his with the camel, and everyone concerned was under the

(5) [1896] A. C. 199; 43 Digest 277; 65 L. J. Q. B. 381; 74 L. T. 289; 13 R. P. C. 218.

impression that the plaintiff's name camel-hair belting was a fancy name, and in no way descriptive. The defendants Banham began in 1891 to make belting made of yarn like the plaintiff's, and gave it the name of the plaintiff's belting, camel-hair belting. Upon the facts of that case, a jury found, and no wonder, that the words (though descriptive in fact of the goods) meant the plaintiff's belting, as distinct from the belting of other manufacturers. The decision is one easily to be accounted for on the special facts, namely, that owing to the general but mistaken belief that camel-hair was a fancy name, the requisite secondary meaning had in fact been acquired. The plaintiff company's action must, in their Lordships' opinion, fail, so far as it is based on the use of the words "shredded wheat," with the result that, as against the defendant Bassin, the action was properly dismissed.

The plaintiff company, however, claims as against Kellogg's a passing-off injunction based upon the allegation that Kellogg's biscuits are of such shape and size that hotel-keepers and restaurant-keepers could, if so minded, supply them in response to the request of a customer who, in asking for shredded wheat, desired to be supplied with biscuits of the plaintiff company's manufacture. Their Lordships see no reason for granting any such relief, upon the evidence given in the present case. They are not satisfied that a person asking for shredded wheat will not have his request truly satisfied if the product shredded wheat, as manufactured by Kelloggs or any other manufacturer, is supplied. Nor are they satisfied that a customer who really desires a biscuit of the plaintiff company's manufacture will necessarily be deceived by being offered a biscuit of the same shape but perceptibly smaller. Such likelihood of deception requires to be proved, and it is noticeable that no witness was shown a Kellogg's biscuit and asked whether he would have taken that to be a biscuit of the plaintiff's company's manufacture. The plaintiff company has not, in their Lordships' opinion, made out a case in these proceedings which would justify the granting of a passing-off injunction based solely on the form of the biscuit.

Some further observations their Lordships think it desirable to make. Their decision has been reached without basing it specifically upon the existence of patents which have expired. Their Lordships, however, find it

difficult to conceive that a manufacturer could in such a case be held guilty of passing off, if he manufactured the goods in accordance with the expired patents, and the only similarity between the rival goods lay in the appearance of the goods so manufactured and the application to them of the name by which the patented goods had been known. It is conceivable that, in the case of a patent long ago expired, the evidence might possibly establish that the name had become distinctive of a particular manufacturer rather than descriptive of the goods, with the result that other manufacturers of the goods could be compelled to adopt some means of effectively distinguishing their goods from those of the particular manufacturer. Difficult as such a case is to prove in the case of a descriptive word, it must be additionally difficult in the case where a word is the name of goods as well as being descriptive of those goods. The case of *William Edge & Sons, Ltd. v. William Nicolls & Sons, Ltd.* (8) was peculiar, in that the goods there in question which were offered for sale were pieces of washing-blue, while the special form of stick which the defendants were restrained from associating with their pieces of washing-blue was in effect part of the get-up of the plaintiff's goods. In *Boake (A.), Roberts & Co., Ltd. v. Waylund (W. A.), & Co., Re Boake (A.), Roberts & Co., Ltd.'s, Trade Marks* (9), while the name of the patented article was "Kalium Meta Sulphite," or, more technically "Meta Sulphite of Potassium," the letters or initials K.M.S. were proved to distinguish in the brewing trade the Kalium Meta Sulphite, or Meta Sulphite of Potassium, manufactured by the plaintiffs, from the same article of other persons who were making it and calling it by various other names. The defendant was restrained from applying the letters or initials K.M.S. to his goods. In the case of *Edison Storage Battery Co. v. Britannia Batteries, Ltd.* (10), the distinctiveness was proved by admissions made by the defendants themselves, but for which, as BENNETT, J., pointed out, the plaintiffs would have had difficulty in satisfying the court that descriptive words had become distinctive. Moreover, the plaintiffs' task in that case was clearly ren-

(8) [1911] A. C. 693; 43 Digest 312; 80 L. J. Ch. 744; 105 L. T. 459.

(9) 26 R. P. C. 251; 43 Digest 227.

(10) 48 R. P. C. 350; Digest Supp.

dered less difficult by the fact that the words there in question included the actual name of the inventor. Each of these cases presented some peculiar feature which brought the necessary proof within the range of possibility.

One further observation their Lordships desire to make. Litigation has taken place in the United States of America in which a company called National Biscuit Company sought to restrain a company called Kellogg Company from using the words "shredded wheat." The action was dismissed by decree of the U. S. district court for the district of Delaware, and, on appeal to the U. S. circuit court of appeals for the third circuit, the decree was affirmed. Subsequently, on reargument before the same Judges, that decision was reversed, and a decree was entered:

enjoining the defendant from the use of the name "shredded wheat" as its trade name, and from advertising or offering for sale its product in the form and shape of plaintiff's biscuit in violation of its trade mark.

Their Lordships can only (but with the greatest respect for the court) express the view that if the facts of that case were similar in all respects to the facts of the present case, they prefer the first judgment of the circuit court of appeals to its later decision. Their Lordships are of opinion that this appeal should be dismissed, and will humbly advise His Majesty accordingly. The appellants must pay the costs of the appeal.

Appeal dismissed with costs.

Appendix F.

IN THE MATTER OF THE TRADE MARKS ACTS, 1905 TO 1919
AND

IN THE MATTER OF TRADE MARK NO. 500,671, REGISTERED IN
THE NAME OF THE SHREDDED WHEAT COMPANY,
LTD. IN CLASS 42.

LORD JUSTICE CLAUSON: This is an appeal from an Order of Mr. Justice Bennett of the 21st December, 1937, dismissing an application to the Court by the Kellogg Company of Great Britain Ltd. under Section 35 of the Trade Marks Act 1905 for an Order expunging from the Register

of Trade Marks a trade mark belonging to the Respondents, the Shredded Wheat Co. Ltd., consisting of the words "Shredded Wheat" registered on evidence of distinctiveness under Section 9 sub-section (5) of the Act on the 5th March, 1929. The application was grounded on the allegation that the mark at the date of registration was wholly descriptive and not adapted to distinguish the goods of the Respondents from those of other persons.

It appears that in October, 1895, one Perky obtained Letters Patent for a process of mashing wheat in berry form so as to produce an article presenting the appearance of being composed of a mass of cereal filaments or shreds. From 1896 until 1908, baked packets of this product in the shape of small "pillows" were made in the U. S. A. or Canada and imported into and sold in this country by a firm of Ingersoll & Melhuish under the name of "Shredded Wheat". The Respondent Company was formed in 1908 and took over this business of Ingersoll & Melhuish and continued the import and sale. In 1926 the Respondent Company erected a factory at Welwyn Garden City and thenceforward manufactured their "pillows" there and sold them in this country. The trade mark "Shredded Wheat" was, as already stated, registered on the 5th March, 1929. Throughout the "pillows" have been sold in this country in cartons each containing 12 "pillows".

The learned Judge quite correctly directed himself to the consideration of the question of fact whether on the evidence it appeared to the satisfaction of the Court that at the date of registration the mark was distinctive within the meaning given to that word by Section 9 of the Act, *i. e.* "adapted to distinguish the goods" of the Respondents "from those of other persons". Before the learned Judge it appears to have been suggested that the words "Shredded Wheat" had no direct reference to the character or quality of the goods and could have been registered under Section 9 sub-section (4). The learned Judge's judgment proceeds, however, on the footing that the words have direct reference to the character or quality of the goods, and the suggestion to the contrary was specifically abandoned in this Court by Counsel for the Respondents.

On the evidence the learned Judge held the following propositions to be established (i) that a wholesaler asked

to supply Shredded Wheat supplies as a matter of course the articles made by the Respondents and orders them as a matter of course from the Respondents, and to the wholesaler "Shredded Wheat" means the pillow-shaped article made by the Respondents and nothing else; (ii) that the retailer when he needs supplies of the Respondents' articles places with his wholesaler an order for "Shredded Wheat" and expects, on such an order, to get the Respondents' articles, and when he is asked for "Shredded Wheat" he supplies the Respondents' articles; (iii) the consumers when they ask for "Shredded Wheat" desire to get the Respondents' articles and nothing else.

We see no reason to differ from these findings of fact as to the attitude of mind at the present time of wholesalers, retailers and customers in-so-far as they sum up the effect of the oral evidence before the learned Judge; but these findings do not, in our judgment, of themselves lead to the conclusion that at the date of the registration in 1929 the mark "Shredded Wheat" was distinctive of the Respondents' goods. The learned Judge concluded upon those facts that although the words "Shredded Wheat" had reference to the character of the Respondents' goods it had in fact become distinctive of them; and on a fair reading of his judgment he must, we conceive, be held to have found that this distinctiveness had in fact come into existence by the 5th March, 1929, the date of registration. It is unfortunate that there was no evidence before the learned Judge as to the carton in which "Shredded Wheat" was sold in this country before 1926. The Applicants enquired of the Respondents' manager as to that carton but did not succeed in obtaining its production. Such a carton has, however, since been forthcoming and, by leave of this Court, was proved in evidence before it, and the facts as to the cartons used thus became available for the information of this Court.

It appears that up to the date in or about 1926, when the Respondents' factory at Welwyn Garden City came into operation the goods were sold exclusively in cartons imported from Canada. One such carton was proved before us. From a study of that carton it appears (i) that the trade mark as appearing on the carton under which the respondents sold their goods in this country, was a trade mark registered in Canada, though not in this coun-

try, consisting of a representation of two "pillows" of Shredded Wheat displayed on a dish with a spoon; and (ii) that on a careful reading of the letterpress on the carton it is clear that the words "Shredded Wheat" are used, in contradistinction to what is described thereon as the trade mark, as the name of the product. The carton is wholly inconsistent with the possibility of the words "Shredded Wheat" having up to 1926 become the Respondents' trade mark and distinctive of their goods. A considerable mass of advertisements issued by the Respondents was in evidence; and so far from those advertisements indicating that prior to 1926 the words "Shredded Wheat" were used by the Respondents as a trade mark those advertisements confirm the evidence of the carton that the Respondents used the words "Shredded Wheat" as the name of the product, and sought to teach the public to identify their goods by the trade mark of the dish with a spoon and two "pillows" of the product, that mark being their registered Canadian trade mark.

The new evidence brought before this Court thus makes it, in our judgment, reasonably clear that up to 1926 the words "Shredded Wheat" were not used by the Respondents as distinctive of their goods but were used by the Respondents as the name of the product. It was not suggested that the product made according to Perky's patents was ever known by any name but that of "Shredded Wheat" and since "Shredded Wheat" was thus used as the name of the product clear evidence would be required to establish that a secondary distinctive meaning had been acquired by the word. Furthermore it is not easy to see how such a distinctive meaning could have come into being unless there were rival producers of the same article in the market. There was no evidence that any such rivals were in the market, at all events to any substantial extent, before the 5th March, 1929.

The evidence is not clear as to the exact form of carton used by the Respondents from 1926 to 1929. There is no doubt that the carton used during that period contained a picture of and referred to the Welwyn factory. It would seem that during that period the dish with two "pillows" in it appeared on the carton but it is not clear whether the spoon appeared in the dish or whether, if it did, the design of spoon, pillows and dish was described as a trade mark. We cannot satisfy ourselves that there

is any evidence to show that between 1926 and 1929 there was any change in the position, or that by the end of that period the words "Shredded Wheat" had acquired a secondary meaning as distinctive of the Respondents' goods, which they clearly did not possess at the beginning of that period. The oral evidence as to the present attitude of mind of wholesalers, retailers and customers which the learned Judge treated as satisfactory evidence of distinctiveness becomes, in the light of the facts to which we have referred, of very slight weight; indeed, it merely shows that during the period since 1929 the registration of the words "Shredded Wheat" as the Respondents' trade mark has operated to preserve for them a complete monopoly in the use of the words "Shredded Wheat" and, as would appear from the evidence, an almost complete monopoly in the sale of the product, made according to the long expired patent, which was known by the name of, and at all events until 1926 was called by the Respondents themselves by the name of Shredded Wheat.

For these reasons, as the evidence now stands, we are unable to hold that the Respondents have established that at the date of registration on the 5th March, 1929, the words "Shredded Wheat" were adapted to distinguish their goods from those of other persons. The Order of the learned Judge will be reversed, and the mark will be expunged, and the Respondents will be ordered to pay the costs here and below.